



LATTEYS INDUSTRIES LIMITED

Our Company was originally incorporated as Latteys Pumps Industries Private Limited at Ahmedabad, Gujarat as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 02, 2013 bearing Corporate Identification Number U29120GJ2013PTC074281 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Our Company acquired the business of proprietorship concern of our Promoter Kapoor Chand Garg viz. M/s Latteys Pumps Industries vide Memorandum of Understanding dated April 08, 2013. Further, the name of our Company was changed to "Latteys Industries Private Limited" on July 11, 2017 vide a Fresh Certificate of Incorporation issued by Deputy Registrar of Companies, Ahmedabad. Subsequently, Our company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 14, 2017 and the name of our Company was changed to Latteys Industries Limited vide a Fresh Certificate of Incorporation dated August 21, 2017 issued by Deputy Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U29120GJ2013PLC074281. For further details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on pages 63 and 157 of this Prospectus.

Registered Office: Plot No. 16, Phase- 1/2, GIDC Estate, Naroda Ahmedabad Gujarat 382330 India
Tel. No.: 079-22823354; **Fax No.:** Not Available; **E-mail:** info@latteysindustries.com; **Website:** www.latteysindustries.com
Contact Person: Jayesh Laxmanbhai Bhavsar, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: KAPOOR CHAND GARG AND PAWAN GARG

THE ISSUE

PUBLIC ISSUE OF 12,22,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF LATTEYS INDUSTRIES LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 66/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 56/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS. 806.52 LAKHS ("THE ISSUE"), OF WHICH 62,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 66/- PER EQUITY SHARE, AGGREGATING RS. 40.92 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 11,60,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 66/- PER EQUITY SHARE, AGGREGATING RS. 765.60 LAKHS IS HERINAFTER REFERED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.57% AND 25.22% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS. 66/- TO 6.6 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 244 of this Prospectus. A copy of the Prospectus has been delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS"). For further details please refer the section titled 'Issue Information' beginning on page 63 of this Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs. 10 and the Issue price of Rs. 66/- per Equity Share is 6.6 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled 'Basis for issue Price' beginning on page 97 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and / or sustained trading in the Equity Shares or regarding the price at which the Equity Shares has been traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Company and this issue, including the risks involved. The Equity Shares issued in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. **Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 17 of this Prospectus**

COMPANY'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this issue, which is material in the context of this Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission or inclusion of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect.

LISTING

The Equity Shares of our Company issued through this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). In terms of the Chapter XB of the SEBI ICDR Regulations, 2009 as amended from time to time, our Company has received an In principle approval letter dated April 18, 2018 from National Stock Exchange of India Limited for using its name in this issue document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this issue, EMERGE Platform of the National Stock Exchange of India Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE



PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India
Tel: +91-22 61946700
Fax: +91-22 2659 8690
Website: www.pantomathgroup.com
Email: ipo@pantomathgroup.com
Investor Grievance Id: ipo@pantomathgroup.com
Contact Person: Unmesh Zagade
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400 083 India
Tel: 022-49186200
Fax: 022-49186195
Email: latteys.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Id: latteys.ipo@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

ISSUE PROGRAMME

ISSUE OPENS ON WEDNESDAY, MAY 23, 2018

ISSUE CLOSES ON MONDAY, MAY 28, 2018

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States of America and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**SECTION I GENERAL
DEFINITION AND ABBREVIATION**

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings as provided below. References to any legislation, act or regulation shall be to such legislation, act or regulation as amended from time to time. The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in “Statement of Tax Benefits”, “Financial Statements” and “Main Provisions of the Articles of Association” on pages 100, 184 and 290, respectively, shall have the meaning given to such terms in such sections. In case of any inconsistency between the definitions given below and definitions contained in the General Information Document, the definitions given below shall prevail.

General Terms

Term	Description
“Latteys Industries Limited”, or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Latteys Industries Limited, a Public Limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Plot No. 16, Phase- 1/2, GIDC Estate, Naroda, Ahemdabad, Gujarat 382330 India

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Auditor or Statutory Auditor	The Statutory Auditor of our Company, being Gaurav Ashok Jain & Associates, Chartered Accountants
Audit Committee	The audit committee of our Company, as disclosed in “Our Management” on page 160 of this Prospectus
Banker to our Company	The banker to our Company, being HDFC Bank Limited, State Bank of India Limited and Punjab National Bank Limited.
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Chairman	Chairman of our Company, namely Kapoor Chand Garg.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Jayesh Bhavsar
Chief Financial Officer	The Chief Financial Officer of our Company being Viralbhai Patel
CIN	Company Identification Number U29120GJ2013PLC074281
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully paid up
Equity Shareholders	Persons / Entities holding Equity Shares of our Company
Group Companies	Such Companies as are included in the chapter titled “ <i>Our Group Companies</i> ” beginning on page no. 179 of this Prospectus
ISIN	International Securities Identification Number. In this case being INE262Z01015.
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations

Term	Description
Key Management Personnel	Key Management Personnel of our Company in terms of Regulation 2(1)(s) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013 and as disclosed in “Our Management” beginning on page 160 of this Prospectus.
Materiality Policy	Policy on Group Companies, material creditors and material legal proceedings adopted by the Board pursuant to its resolution dated February 07, 2018.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration committee of our Company, as disclosed in “Management” on page 160 of this Prospectus.
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company means an, Independent Auditor having a valid Peer Review Certificate in our case being, Piyush J Shah & Co., Chartered Accountants
“Promoter”, “Promoters” or “our Promoters”	Promoters of our Company being Kapoor Chand Garg and Pawan Garg
Promoters’ Contribution	Pursuant to Regulation 32 and 36(a) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue capital of our Company held by our Promoters which shall be considered as the minimum promoters’ contribution and shall be locked-in for a period of three years from the date of Allotment
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations and as disclosed in the chapter titled “Our Promoters and Promoter Group” on page no. 174 of this Prospectus
Registered Office	The Registered office of our Company situated at Plot No. 16, Phase- 1/2, GIDC Estate, Naroda, Ahemdabad, Gujarat-382330 India
Restated Financial Information	Collectively, the Restated Consolidated Financial Information and the Restated Standalone Financial Information
RoC / Registrar of Companies	Registrar of Companies, Gujarat ,ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India
Shareholders	Shareholders of our Company
Stakeholders Relationship Committee	The stakeholders relationship committee of our Company, as disclosed in “Our Management” on page 160 of this Prospectus
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations

Issue Related Terms

Term	Description
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants
Acknowledgement slip	Slip or document issued by designated Intermediary to an Applicant as a proof of registration of the Application
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted

Term	Description
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus. All the applicants should make application through ASBA only.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Collecting Intermediaries	<ol style="list-style-type: none"> 1. a SCSB with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) If any 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any 4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
ASBA / Application Supported by Blocked Amount	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad
ASBA Investor/ASBA applicant	Any prospective investor(s) / applicants(s) in this Issue who apply(ies) through the ASBA process
Banker/Refund Banker to the Issue/ Public Issue Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled " <i>Issue Procedure</i> " beginning on page 244 of this Prospectus
Broker Centres	Broker centres notified by the Stock Exchanges, where the applicants can submit the Application forms to a Registered Broker.
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares after Issue Period
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Controlling Branch of SCSBs	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details

Term	Description
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Depositories Act	The Depositories Act, 1996 as amended from time to time
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	Emerge Platform of National Stock Exchange Of India Limited
Draft Prospectus	The Draft Prospectus dated March 13, 2018 issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favor the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue aggregating 12,22,000 Equity Shares of face value of Rs. 10/- each fully paid of Latteys Industries Limited for cash at a price of Rs 66.00/- per Equity Share (including a premium of Rs. 56.00/- per Equity Share) aggregating Rs.806.52 lakhs.
Issue Agreement	The agreement dated February 14, 2018 between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.

Term	Description
Issue Closing date	May 28, 2018
Issue Opening Date	May 23, 2018
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 66.00/- per Equity Share of face value of Rs. 10/- each fully paid
Issue Proceeds/Gross Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 806.52 Lakhs
Indian GAAP	Generally Accepted Accounting Principles in India
IFRS	International financial reporting standard
Lead Managers LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited (PCAPL).
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited
Market Making Agreement	Market Making Agreement dated February 14, 2018 between our Company, Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of up to 62,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 66.00/- per Equity Share aggregating Rs 40.92 lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue (excluding the Market Maker Reservation Portion) aggregating up to 11,60,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs 66.00/- per Equity Share aggregating Rs. 765.60 lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any

Term	Description
	other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with RoC containing, <i>inter-alia</i> , the issue size, the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on February 14, 2018 amongst our Company, Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Application Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations 2009
Refund Account	Account to which Application monies to be refunded to the Applicants
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refund through ASBA process
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited situated at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400 083 India
Registrar Agreement	Agreement dated February 14, 2018 entered into among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>), who apply for an amount less than or equal to Rs 2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SME Exchange	Emerge Platform of National Stock Exchange of India Limited
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Term	Description
Shareholder director	A director not being an independent director who represents the interest of shareholder's appointed as per the terms of SECC regulation
TRS or Transaction Registration Slip	The slip or document issued by the SCSB (only on demand), as the case may be, to the applicant as proof of registration of the application.
Stock Exchange	Emerge Platform of National Stock Exchange of India Limited
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated February 14, 2018 entered into between the Underwriter and our Company
US GAAP	Generally accepted accounting principal (United states)
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical and Industry Related Terms

Term	Description
CMP	Chugoku Marine Paints
CoE	Centres Of Excellence
CPI	Consumer Price Index
CSO	Central Statistics Office
CV	Concrete Volute
FDI	Foreign Direct Investment
FIPM	Foreign Investment Promotion Board
GAV	Gross Value Added
GDP	Gross Domestic Product
GST	Goods And Services Tax
IBC	Insolvency And Bankruptcy Code
IIP	Index Of Industrial Production
IMF	International Monetary Fund
IMF	International Monetary Fund
LCC	Life Cycle Cost
M-SIPS	Modified Special Incentive Package Scheme
MSMES	Micro, Small & Medium Enterprises
MSMO	Multi-Stage Multi-Outlet
MSP	Minimum Support Price
NBFCs	Non-Banking Financial Company
NMP	National Manufacturing Policy
NSSF	National Small Savings Fund
OMO	Open Market Operations
PMP	Phased Manufacturing Programme
TADF	Technology Acquisition And Development Fund
UNIDO	United Nations Industrial Development Organization
WEO	World Economic Outlook

Conventional and General Terms / Abbreviations

Term	Description
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Term	Description
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investments Fund
AOA	Article of Association
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
CA	Chartered Accountant
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as - Category III foreign portfolio investors under the SEBI FPI Regulations
CB	Controlling Branch
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CMD	Chairman and Managing Director
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DGFT	Directorate General of Foreign Trade
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Ownership Plan
ESPS	Employee Stock Purchase Scheme
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions

Term	Description
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FPI(s)	Foreign Portfolio Investor
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
Key Managerial Personnel/KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 160 of this Prospectus
LPH	litre per hour
Ltd.	Limited
MD	Managing Director
Mtr	Meter
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private

Term	Description
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange(s)	Emerge Platform of National Stock Exchange of India Limited
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S./ USA/ United States	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
WDV	Written Down Value
WTD	Whole-time Director
w.e.f.	With effect from
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 290 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the chapter titled “*Financial Statements as Restated*” beginning on page 184 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter;
- iii. In the section titled “*Risk Factors*” beginning on page 17 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 100 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 185 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘*Financial Statements*’ beginning on page 184 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘*Financial Statements*’ beginning on page 184 of this Prospectus.

CURRENCY OF PRESENTATION

In this Prospectus, references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

INDUSTRY & MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Prospectus have been obtained from publically available Information, Industry Sources and Government Publications.

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified by the Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section “*Risk Factors*” on page 17 of this Prospectus. Accordingly, investment decisions should not be based solely on such information.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

FORWARD LOOKING STATEMENT

This Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors / areas in which we operate;
- Increased competition in the sectors / areas in which we operate;
- Factors affecting the Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 17 and 185 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

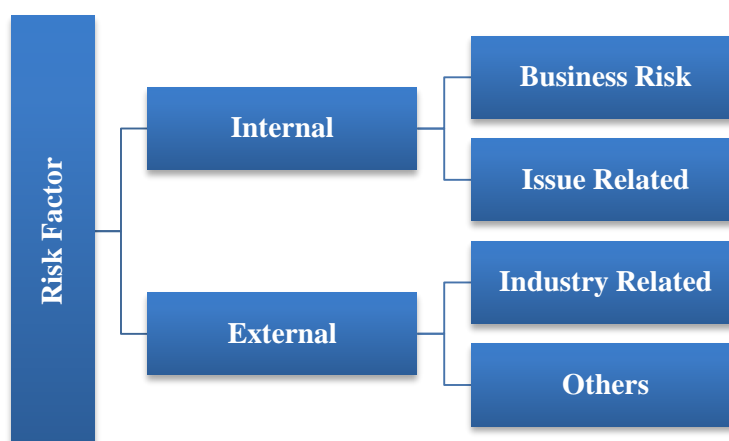
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013 and its applicable Companies Act Rules (as amended from time to time) and its applicable Companies Act Rules (as amended from time to time) and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 124, “Our Industry” beginning on page 103 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 185 respectively, of this Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

- Some events may not be material individually but may be found material collectively;*
- Some events may have material impact qualitatively instead of quantitatively; and*
- Some events may not be material at present but may have material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 3 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as under for the sake of better clarity and increased understanding:



Business Risks

1. *Currently one of our Independent Directors is involved in tax related proceedings; any adverse decision in such proceedings may render Independent Directors liable to liabilities and penalties and may adversely affect our business and results of operations.*

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors and Group Company see the chapter titled “*Outstanding Litigation and Material Developments*” on page 202 of this Prospectus.

A classification of legal proceedings is mentioned below:

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labor Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
Company							
By the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Promoters							
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies							
By Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Directors other than promoters							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the	Nil	1	1	Nil	Nil	Nil	19.57

Directors							
Subsidiaries							
By the Subsidiaries	N.A.*	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*N.A. = Not Applicable

2. *We depend on a single customer for a significant portion of our revenues. The loss of a major customer or significant reduction in production and sales of, or demand for our products from, our major customer may adversely affect our business, financial condition, results of operations and prospects.*

We derive our entire operational revenues from sale of pumps and motors in the domestic market. We depend on a single customer for a major portion of our revenues. Revenue from our top customer, V-Guard Industries Ltd, constituted 53.27% of our Total Revenue for period ended December 31, 2017. While, our top 10 customers accounted for 67.95% of our Total Revenue for the same period. We face competition domestic manufacturers who are both organized and unorganized players in the Indian market. However, we believe that we have good relationship with our customers, any loss of customer base or reduction in volume of orders, out of our existing customers, will impact our overall sales, resulting in a decline in our revenues. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

3. *Our company has witnessed increased amount of Borrowings over the last 3 years. Any increase in Borrowings level beyond our sustainable capacity may impact our business substantially.*

Our Company has been focussing on increasing its manufacturing capacity and production, for which we have continuously invested in purchasing and installing Plant & Machinery. The same has been funded by borrowings from our lender, our Total Borrowings for the period ended 31st December, 2017 was at Rs. 1092.40 Lakhs compared to Rs. 560.61 Lakhs for the year ended 31st March, 2013. Increased borrowings burdens the Company with Interest cost which adversely affects the financial performance of the Company. Further, inability of our Company to repay the dues or interest, or both may possess financial risks to the company impacting the overall performance.

4. *Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.*

Our business is working capital intensive. A significant portion of our working capital is utilized towards Inventories and Trade Payables. Summary of our working capital position is given below:-

Amount (Rs. In lakhs)

Particulars	For the period ended 31 st Dec., 2017	For the year ended 31 st March			
		2017	2016	2015	2014
A. Current Assets					
Inventories	1198.50	1,212.07	844.84	677.08	532.98
Trade Receivables	738.07	661.80	548.12	329.74	372.68
Cash and Cash Equivalents	14.32	90.18	23.33	10.10	7.48
Short Term Loans & Advances	230.30	166.63	114.84	78.71	52.13
Other Current Assets	10.76	7.07	8.70	5.32	0.57

Particulars	For the period ended 31 st Dec., 2017	For the year ended 31 st March			
		2017	2016	2015	2014
B. Current Liabilities					
Trade Payables	993.09	1,166.72	809.31	536.11	492.03
Other Current Liabilities	270.63	204.30	136.72	107.36	80.78
Short Term Provisions	51.89	37.71	32.04	24.69	28.24
Working Capital (A-B)	876.33	729.02	561.76	432.80	364.79
Inventories as % of total current assets	54.7%	56.7%	54.9%	61.5%	55.2%
Trade Payables as % of total current liabilities	75.50%	82.8%	82.7%	80.2%	81.9%

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly Inventories and Trade payables. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 71 of this Prospectus.

5. *Our Company has negative cash flows from its operating, investing and financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.*

Our Company had negative cash flows from our operating, investing and financing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

Amount (Rs. In lakhs)

Particulars	For the period ended 31 st Dec., 2017	For the year ended 31 st March			
		2017	2016	2015	2014
Cash Flow from / (used in) Operating Activities	(59.81)	118.51	28.90	43.00	(275.48)
Cash Flow from / (used in) Investing Activities	(145.12)	(53.74)	(132.42)	(94.62)	(300.53)
Cash Flow from / (used in) Financing Activities	129.08	2.07	116.75	54.23	583.49

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

6. *Delays or defaults in payment by our customers could affect our cash flows and may adversely affect our financial condition and operations.*

We extend credit to our customers on case to case basis which generally ranges from 30 to 90 days and there is no assurance that we will be able to recover outstanding amounts in part, or full or at all. We have and may continue to have high levels of outstanding receivables. For the period ended December 31, 2017 and Fiscals 2017, 2016 and 2015, our trade receivables were Rs. 738.06 Lakhs, Rs. 661.80 Lakhs, Rs. 548.12 Lakhs and Rs. 329.74 Lakhs, respectively. Our trade receivables accounted for 32.33%, 18.50%, 21.04% and 15.31% of our revenue from operations for period ended December 31 and Fiscals 2017, 2016 and 2015, respectively. Further, for the nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, our average outstanding receivable days were 87 days, 67 days, 76 days and 55 days, respectively, while our average outstanding payment days to our vendors for the nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015 were comparatively shorter at 150 days, 156 days, 154 days and 118 days, respectively.

Hence, if delays or defaults in client payments continue or increase in proportion to our total revenues, it could negatively affect our cash flows and consequently affect our financial condition and operations. Further, while we may take appropriate action in the event of a non-payment of receivables, there can be no assurance that we will be able to successfully recover outstanding amounts owed to us in part or full, which in turn could affect our cash flows and may adversely affect our financial condition and operations.

7. ***Lattice Engineering Private Limited one of our Group Companies has objects similar to that of our Company's business. This may be a potential source of conflict of interest for us and which may have an adverse effect on our business, financial condition and results of operations.***

One of our Group Companies, Lattice Engineering Private Limited has some of the objects similar to that of our Company's business and could offer services that are related to the business of our Company.

Conflicts of interests may arise with our Company in future, in allocating business opportunities amongst our Company and our Group Company in circumstances where our respective interests diverge. Further, we do not have any non-compete agreements in place amongst us. This may be a potential source of conflict of interest in addressing business opportunities, strategies, implementing new plans and affixing priorities. There can be no assurance that our Promoters or our Group Companies will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have an adverse effect on our reputation, business, results of operations and financial condition.

8. ***Our Company have meagre presence in foreign operation and generates only a small portion of its revenue from export operations.***

Our Company manufactures and sells its products indigenously and generated less than 1% of its Total Revenue from export operations in FY 2016-17. Our Company believes the market in India is huge owing to the large consuming population. Pump industry in India is expected to grow at a reasonable rate. However, pump as a product is used world-wide and it is exported from many countries including India. Our Company since its inception has been selling its products in Indian market and intend to continue its major focus on the same. Since we have a meagre presence in foreign markets, we stand to lose major customer base which can provide us substantial amount of revenue. Our competitors have increased their revenues in past years by tapping into foreign markets which also provides margin which are close to the margin we generate in India. Lack of presence in foreign markets may adversely impact our business in long term.

9. ***We generate a majority of our sales from Gujarat, Uttar Pradesh & Bihar and any adverse developments affecting our operations in these states could have an adverse impact on our revenue and results of operations.***

For the year ended March 31, 2017 our sales in Gujarat, Uttar Pradesh and Bihar together contributed 98.25% of our total revenues as mentioned below:

(Amounts in Rs. Lakhs)

Name of State	For the year ended 31 st March, 2017	Percentage of Total Revenue
Gujarat	2422.99	67.88 %
Uttar Pradesh	628.39	17.60%
Bihar	392.11	10.99%

We may continue to expand our sales in these states. Existing and potential competitors of our business may increase their presence in these states, which could adversely affect our market share. For instance, our competitors may intensify their marketing efforts or expand their dealerships in these states to capture a larger market share. The concentration of our operations in these states highlights our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes, which may adversely affect our business prospects, financial conditions and results of operations. Any adverse development that affects the performance

of the sales in these states could have a material adverse effect on our business, financial condition and results of operations.

10. We are dependent on third party transportation providers for transportation of raw materials and finished goods. Accordingly, any increase in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business.

Our Company is engaged in manufacturing and assembly of pumps and motors having our manufacturing facility at Naroda GIDC, Gujarat. We procure raw materials and pump parts from manufacturers in Gujarat. Also, our final products are sold outside Gujarat. Most of these raw material and finished products are transported to and from our manufacturing unit by third party transportation providers. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. Transportation strikes could have an adverse effect on our receipt of goods, raw materials and our ability to deliver our products to our customers.

Further, India’s physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of goods, raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India’s physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

11. Our Group Company have incurred losses and has negative Net worth, which may have an adverse effect on our reputation and business.

The following table sets forth the details of our loss-making Group Companies:

(Rs. In Lakhs)

Particulars	Profit / (Loss)		
	2016-17	2015-16	2014-15
Lattice Engineering Private Limited	(18.36)	(30.58)	(36.52)

Our Group Company, Lattice Engineering Pvt. Ltd. have negative net worth of Rs. 15.88 Lakhs as on the date of its last audited financial statements. There can be no assurance that our Group Company will not incur losses in the future, which may have an adverse effect on our reputation and business.

12. Our Promoter Group entity, K. K. Pumps Private Limited have been struck-off in past years.

One of our Promoter Group Company i.e. K. K. Pumps Private Limited with which our Promoters were associated as Directors and shareholders has struck off its name from the Registrar of Companies, Ahmedabad. Further, we cannot assure that any other company in which our Promoters are directors and/or Promoter will not struck off their names from respective Registrar of Companies. For more information, regarding our other group Companies refer section titled “Our Promoters and Promoter Group” beginning on page 174 of this Prospectus.

13. Our Company has not entered into any supply agreement for the major raw materials required for manufacturing of our products and are exposed to risks relating to fluctuations in commodity prices and shortage of raw material.

Raw material costs are dependent on commodity prices, which are subject to fluctuations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we experience a significant or prolonged shortage of raw materials from any of our suppliers and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules in a timely fashion, which would adversely affect our sales, margins and customer relations. In the absence of such supply agreements, we cannot assure that a particular supplier will continue to

supply raw materials to us in the future. In the event the prices of such raw materials were to rise substantially, we may find it difficult to make alternative arrangements for supplies of our raw materials, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition.

14. *Our manufacturing facilities are located at Gujarat. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.*

Our Company has its manufacturing facilities which are located at Naroda, GIDC in Gujarat. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. Further, our manufacturing facility is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

15. *The shortage or non-availability of power facilities may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition.*

Our manufacturing processes requires substantial amount of power facilities. Further, our Company has a DG Set of 82.5 Kva as a back-up in case of emergency power requirement. The quantum and nature of power requirements of our industry and the Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of increasing oil prices and other constraints. We are mainly dependent on State Government for meeting our electricity requirements. Any defaults or non-compliance of the conditions may render us liable for termination of the agreement or any future changes in the terms of the agreement may lead to increased costs, thereby affecting the profitability. Further, since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power.

Any disruption / non-availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

16. *Our Company has unsecured loans which are repayable on demand. Any demand loan from lenders for repayment of such unsecured loans, may adversely affect our cash flows.*

As on December 31, 2017 from Restated Financial Statements, our Company has unsecured loans amounting to Rs. 125.69 lakhs from related and other parties that are repayable on demand to the relevant lender. Further, there is no agreed repayment terms and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled "*Financial Statements as Restated*" beginning on page 184 of this Prospectus.

17. *We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Any failure or delay in obtaining the same in a timely manner may adversely affect our operations.*

Our Company requires a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of its business. Our Company has applied for change of name of all the approvals from LATTEYS PUMPS INDUSTRIES (a sole proprietorship concern acquired by the Company), LATTEYS PUMPS INDUSTRIES PRIVATE LIMITED and LATTEYS INDUSTRIES PRIVATE LIMITED to LATTEYS INDUSTRIES LIMITED except for change of name for Entrepreneurs Memorandum, and Excise, Service Tax, VAT and CST certificate. These Certificates are now replaced by Udyog Aadhaar Memorandum and GST Certificates respectively. The Company has applied for change of name from LATTEYS PUMPS INDUSTRIES PRIVATE LIMITED to LATTEYS INDUSTRIES LIMITED for GST Certificate for the Indore branch and the same is currently pending any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

Additionally, our Company needs to apply for renewal of approvals which expire, from time to time, during the ordinary course. Our Company was incorporated in the name of “Latteys Pumps Industries Private Limited” carrying the business of manufacturing and assembling of pumping solutions for homes, agriculture and industry. As per the Companies Act, 2013, a private limited company can be converted into public limited company. After complying with the relevant procedure of Companies Act, 2013, the said private limited company was converted into a public limited company in the year 2017. After conversion there was change of name of our company from “Latteys Industries Private Limited” to “Latteys Industries Limited”. Approvals like Udyog Aadhaar Memorandum, PAN, Trademark application, Professional Tax Enrolment Certificate and Professional Tax Registration Certificate, are in the name of Latteys Industries Limited.

Our Company has nine branches. Except Branch II (Kochi) and Branch IX (Indore), our Company has not applied for approvals like Shops and Establishment Certificate for other branches. Our Company has also not applied for Consent to Operate under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008., Vendor Registration with Gujarat Water Supply and Sewerage Board, and Expression of Interest (EOI) for Empanelment of Manufacturers of Submersible Pump sets product along with bid which are currently pending. Any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. For more information, see chapter “Government and Other Statutory Approvals” on page 210 of this Prospectus.

18. *Our statutory auditor has included an Emphasis of Matters in its audit reports for the year ended March 31, 2017.*

Our Statutory Auditor in its Audit report for the year ended 31st March, 2017 has made an Emphasis of Matter, which read as under:

“Note No. 7 of the financial statements which includes the provision for Duty Drawback and interest thereon in respect of duty draw back received on Export made by the Company during the year but payment has not been realised within the specified period and till the date of this report.”

In FY 2016-17, for the first time Company had made exports which amounted to Rs. 63.73 lakhs to one of its customers in U.A.E (Dubai). The exports proceeds had not been realized by the Company till date although the Company has been regular following up for the realisation of the export proceeds from the customer.

Company has already made provision for refund of duty drawback along with interest of Rs. 1.11 Lakh in the Balance Sheet of FY 2016-17 under heading Note 7 “*Short Term Provisions*” and the

statutory auditors have also disclosed the same in the Audit Report under heading “Emphasis of Matters” as mentioned above.

However, Company in its restated financial statement has considered the above matter and the same has been adequately addressed. Other than this, our company did not had any qualifications from its statutory auditors, however, we may not be able to assure that such further qualifications may not be observed in future if there is any violation of any relevant accounting standards or accounting policies, or for any other reason.

19. Under-utilization of manufacturing capacity at our unit may affect our business which in turn may affect our results of operations.

Presently, our manufacturing facility operates at an efficiency level at around 80% of its installed capacity. In the event that we are unable to fully utilize the increased capacity at the given current level, our cost of production owing to fixed costs may increase substantially which may adversely affect our result of operations.

20. Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other loan covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “Financial Indebtedness” on page 200 of the Prospectus.

21. We generate a majority of our sales from Gujarat, Uttar Pradesh & Bihar and any adverse developments affecting our operations in these states could have an adverse impact on our revenue and results of operations.

For the year ended March 31, 2017 our sales in Gujarat, Uttar Pradesh and Bihar together contributed 98.25% of our total revenues as mentioned below:

(Amounts in Rs. Lakhs)

Name of State	For the year ended 31 st March, 2017	Percentage of Total Revenue
Gujarat	2,486.72	69.66 %
Uttar Pradesh	628.39	17.60%
Bihar	392.11	10.99%

We may continue to expand our sales in these states. Existing and potential competitors of our business may increase their presence in these states, which could adversely affect our market share. For instance, our competitors may intensify their marketing efforts or expand their dealerships in these states to capture a larger market share. The concentration of our operations in these states highlights our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes, which may adversely affect our business prospects, financial conditions and results of operations. Any adverse development that affects the performance of the sales in these states could have a material adverse effect on our business, financial condition and results of operations.

- 22. *The properties on which our registered office and branch offices are located are not owned by us and taken on rent from third parties. Our inability to continue to use these properties in the future may have an adverse effect on our results of operations and financial results.***

Our Company have 9 branch offices across India. None of those branch offices are owned by the Company, and are taken on rent from various third parties. Further, our registered office situated at Plot No 16, Phase 1/2 GIDC Naroda, Ahmedabad – 382330, Gujarat is taken on lease from our promoter, Mr. Kapoor Garg. For further details, please refer to section titled – Land and Property Chapter “*Our Business*” beginning on Page 124 of this Prospectus.

Further, some of the rent agreements have expired and are under process for renewal, however, there is no assurance that we will be able to renew our rent agreement for our Branch offices on favorable terms or at all. There is also no assurance that we will be permitted to use the location of our Branch Offices. In the event, we are unable to continue to use the premises for our Branch Offices or Warehouses or renew the lease agreement on favorable terms or at all, it may lead to disruption in the business and administrative operations of our Company having an adverse effect on the business, financial condition and results of operations on our Company.

- 23. *The industry segments in which we operate being fragmented, we face competition from other established players, which may affect our business operational and financial conditions.***

Pumps manufacturing business in India is majorly carried in Gujarat. There are numerous small players who caters to a particular segment of customers, while there are few established players who are in Pump manufacturing business since decades and holds a large market share in India. These competitors may have cost advantage over us due to their scale of operations and size. Further, they have an established brand which will be preferred by the customers assuring them of better service and quality. Owing to these reasons, our Company faces tough competition from such domestic manufacturers. Even though, we have created a trusted market for us over the years of experience into this business, we may not be able to assure that we can face this competition in future and the same can affect our business adversely.



- 24. *We are dependent on third party transportation providers for transportation of raw materials and finished goods. Accordingly, any increase in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business.***

Our Company is engaged in manufacturing and assembly of pumps and motors having our manufacturing facility at Naroda GIDC, Gujarat. We procure raw materials and pump parts from manufacturers in Gujarat. Also, our final products are sold outside Gujarat. Most of these raw material and finished products are transported to and from our manufacturing unit by third party transportation providers. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. Transportation strikes could have an adverse effect on our receipt of goods, raw materials and our ability to deliver our products to our customers.

Further, India’s physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of goods, raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India’s physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

- 25. *We have logo’s which are used for our business purpose. Further the said logo’s are applied for registration with the Registrar of Trademarks, Trademark Registry, Ahmedabad and are currently pending. We do not have a registered trademark of our own. In case of failure to obtain the same it may materially affect our business and its operation..***



There is no guarantee that the application for registration of our logo's  and  will be accepted in favor of our Company. This may affect our ability to protect our trademarks in the event of any infringement of our intellectual property.

In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

See "Government and other Statutory Approvals" on page 210 of this Prospectus for further details on the required material approvals for the operation of our business.

26. *We have taken guarantees from Promoters and members of Promoter Group in relation to debt facilities provided to us.*

We have taken guarantees from Promoters and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled "*Financial Indebtedness*" beginning on page 200 of this Prospectus.

27. *We have in the past entered into related party transactions and may continue to do so in the future.*

Our Company has entered into various transactions with our Promoter, Promoter Group, Directors and their Relatives and Group Company. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future in compliance with the applicable law. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "*Related Party Transactions*" beginning on page 182 of the Prospectus.

28. *We have not entered into any definitive agreements with our customers. If our customers choose not to buy their products from us, our business, financial condition and results of operations may be adversely affected and our business are on purchase order basis with our customers.*

We have not entered into any definitive agreements with our customers, and instead we majorly rely on purchase orders to govern the volume, pricing and other terms of sales of our products. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers vendor preferences.

Any failure to meet our customers' expectations could result in cancellation of orders. There are also a number of factors other than our performance which are beyond our control and that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, any of which may have an adverse effect on our business, results of operations and financial condition. Our business is conducted on purchase order basis, depending on the requirements of the client preferences and demand. We do not have long-term contracts with most of our customers and there can be no assurance that we will continue to receive repeat orders from any of them, including our long-standing customers.

Further, even if we were to continue receiving orders from our clients, there can be no assurance that they will be on the same terms, and the new terms may be less favourable to us than those under the present terms.

29. *Our Company has lapsed/delayed in making the required filings under Companies Act, 2013. Our Company also has not complied with certain statutory provisions under Companies Act. Such non-compliances/lapses may attract penalties.*

Our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956. Some of which has not been done within the stipulated time period at some instances. Due to these delays in filings, our Company had on several occasions paid the requisite late fees. Although, we have not received any show-cause notice in respect of the above, such delay/non-compliance may in the future render us liable to statutory penalties and could have serious consequences on our operations. While this could be attributed to technical lapses and human errors, our Company has now appointed a Company Secretary under the provisions of the Companies Act, 2013 and is in the process of setting up a system to ensure that requisite filings are done appropriately with the requisite timeline.

Our Company has also not complied with certain statutory provisions such as Section 77 of the Companies Act, 2013. No show cause notice in respect of such non-compliance has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Such delay/noncompliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of statutory provisions concerned.

30. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.*

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage existing employees along with new employees, expand our distribution network and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the business strategies used by us in the future may be different entirely from those presently in use. No assurance can be given that our analysis of market and other data or the business strategies we use or the business plans that we intend to use in future will be successful under prevalent market conditions.

31. *Solar Pumps are witnessing growing demand in India with increased government focus, we do not have presence in Solar Pumps segment.*

Our Company is into business of manufacturing and assembling Submersible, Self-Priming, Centrifugal, Shallow well and Horizontal Open well Pumps for more than 15 years. We have created large customer base for these pumps and we intend to capitalize on the same by keeping our focus on these products. However, India has been witnessing growth in demand of Solar Pumps recently due to government's increased focus. This brings an opportunity for pump manufacturers to tap into new segment and increase total revenue organically. However, our Company has not yet ventured into manufacturing of Solar Pumps to meet the growing demand, hence, stands at a risk of losing our market to other manufacturers. Further, not launching newer products with an innovation may also dis-satisfy our customers and they may choose other manufacturers as their partners which may adversely affect our business.

32. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.*

We believe that the industry in which we operate face competitive pressures in recruiting and retaining skilled and unskilled labour. Additionally, our industry is dependent on the labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We also use temporary or casual labour on need basis. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

33. The shortage or non-availability of water facilities may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition.

Our manufacturing process requires water for normal use of operations. However, we have not made any alternate arrangements for supply of water than what we currently use from. Thus any unfavorable situations may require us to procure water from other source which may increase our cost of operations and adversely affect results of our financials.

34. Our Company's failure to maintain the quality of pumps or keep pace with the technological developments could adversely impact our business, results of operations and financial condition.

Our products acceptability depends on recent innovations and quality of our products. Any failure to maintain the quality standards patterns may affect our business. Although, we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Also, rapid change in our customers' expectation and needs on account of changes in technology or introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always introduced quality products based on consumers continuously changing needs in order to cater to the growing demand of our customers and also endeavour to regularly update our existing technology, our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

35. We are subject to risks associated with expansion into new geographic regions.

Expansion into new geographic regions, including different states in India, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including, different and local laws and regulations, uncertainties and customer's preferences, political and economic stability.

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

36. *Our operations may be adversely affected in case of industrial accidents at any of our production facilities.*

Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, heating processes of the furnace etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Though our plants and machinery and personnel are covered under insurance, occurrence of accidents could hamper our production and consequently affect our profitability.

37. *Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.*

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subjected to environmental laws, rules and regulations, including but not limited to:

- a. The Environment Protection Act, 1986;
- b. Air (Prevention and Control of Pollution) Act, 1981;
- c. Water (Prevention and Control of Pollution) Act, 1974; and
- d. Hazardous Waste (Management and Handling) Rules, 1989.

Which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

38. *Our insurance coverage may not be adequate.*

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies to insure our cargo such as Standard Fire and Special Perils Policy. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, losses due to terrorism, etc. Further there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

For further details, please refer chapter titled “*Our Business*” beginning on page 124 of this Prospectus.

39. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.*

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 1100.21 Lakhs (inclusive of current

maturities) as on December 31, 2017. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the “*Financial Indebtedness*” please refer to page 200 of this Prospectus.

Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

40. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.*

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 71 of this Prospectus.

41. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 183 of this Prospectus.

42. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 71 of this Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.*

We intend to use entire Issue Proceeds towards meeting working capital requirements and general corporate purposes. We intend to deploy the Net Issue Proceeds in financial year 2018-19 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “*Objects of the Issue*” beginning on page 71 of this Prospectus. The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors.

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “*Objects of the Issue*” beginning on page 71 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by

way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

- 43. *Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

- 44. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since, the Issue size is less than Rs.10,000 lakh, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

- 45. *Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

Our success is substantially dependent on the expertise and services of our Directors, Promoter and our Key Managerial Personnel (“KMP”). They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for KMP in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

- 46. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Our Directors and Key Managerial Personnel (“KMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “*Capital Structure*” and “*Our Management*” on pages 78 and 160, respectively, of this Prospectus.

- 47. *Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

After completion of the Issue, our Promoters and Promoter Group will collectively own 73.43% of the Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

48. *We may not be successful in implementing our business strategies.*

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

49. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.*

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

50. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.*

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “*Capital Structure*” beginning on page 78 of this Prospectus.

Issue Specific Risks

51. *We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.*

Our Company has issued 18,35,483 Equity Shares in the last twelve months which may be at a price lower than the issue price. For further details of Equity Shares issued, please refer to chapter titled, ‘*Capital Structure*’ beginning on page 78 of this Prospectus.

52. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.*

The Issue Price of our Equity Shares will be determined by book built method. This price is based on numerous factors (For further information, please refer chapter titled “*Basis for Issue Price*” beginning on page 97 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

53. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

EXTERNAL RISK FACTORS

Industry Risks

- 54. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

Other Risks

- 55. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity***

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain above Rs. 1,00,000 realised on the sale of shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax in India even if the securities transaction tax (“STT”) has been paid on the transaction as per new Finance Act, 2018. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

- 56. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.***

As stated in the reports of the Auditor included in this Prospectus under chapter “*Financial Statements as restated*” beginning on page 184, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

- 57. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- custom duties on imports of raw materials and components;
- excise duty on certain raw materials and components;

- central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

58. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.*

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

59. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.*

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

60. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

61. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.*

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

62. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.*

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

63. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.*

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

64. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.*

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

PROMINENT NOTES

1. Public Issue of 12,22,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. 66/- per Equity Share (“Issue Price”) aggregating upto Rs. 806.52 Lakhs, of which 62,000 Equity Shares of face value of Rs. 10 each will be reserved for subscription by Market Maker to the Issue (“Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 11,60,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.56% and 25.21%, respectively of the post Issue paid up Equity Share Capital of the Company.
2. Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/ clarification/ information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled “*General Information*” beginning on page 63 of this Prospectus.
3. The pre-issue net worth of our Company was Rs. 358.64 lakhs as of December 31, 2017 and Rs. 305.19 lakhs for the year ended March 31, 2017. The book value of Equity Share was Rs 10.95 as at December 31, 2017 and Rs. 9.45 as at March 31, 2017 as per the restated financial statements of our Company. For more information, please refer to section titled “*Financial Statements*” beginning on page 184 of this Prospectus.
4. The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Kapoor Chand Garg	29,16,090	6.29
Pawan Garg	1,87,670	6.23

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “*Capital Structure*” beginning on page 78 of this Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer “*Related Party Transaction*” under chapter titled “*Financial Statements as restated*” beginning on page 184 of this Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 241 of this Prospectus.
7. Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoter and Promoter Group*”, “*Our Management*” and “*Related Party Transaction*” beginning on pages 78, 174, 160 and 182 respectively, of this Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 78 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 97 of the Prospectus.

SECTION III- INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 17 and 184 respectively of this Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO MANUFACTURING OF PUMPS INDUSTRY

Pumps & Valves segment contributes significantly to the growth of Indian economy. They have proved highly critical in productivity of the core sectors of the economy. The Pumps & Valves sector has a net value addition ratio in manufacturing of over 20 per cent. India already exports Pumps & Valves worth over US\$ 1.55 billion, serving various engineering segments, to over 100 countries. The exports in this segment are growing at a healthy rate of around 10-12 per cent annually. Additionally the Indian market is already worth over Rs 5,000 crore (US\$ 780 million) in pumps & Rs 4,500 crore (US\$ 700 million) in valves. India is already selling & supporting niche scientific & engineering technologies to developed economies in areas such as in aerospace engineering, auto components, biotechnology etc.

Today India has attained near self-sufficiency in Pumps for Nuclear Power, complete self-sufficiency in captive power generation, pulp & papers, energy efficient pumps in utilities & in agriculture sector. Considerable manufacturing segment of this sector is focusing on catering latest application in Bio-Pharma field, such as of Infusion Pumps. Given the fact that among ‘machineries’, pumps are said to be produced and used in largest numbers, second only to electric motors. The overall scenario in Indian economy also favours growth & development in Indian Pumps & Valves industry, thereby opening huge potential of international collaborations.

(Source: Pump Industry in India – Overview, Market, Manufacturers, Opportunities, www.indianpumpsandvalves.com)

GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and the forecast for 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia, which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach \$61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time. The consensus forecast calls for these conditions to be sustained in 2018, as

companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain simulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.
- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary maneuver since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become “an obsession in search of a justification.” Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in product and labor markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession?

On valuations, the prognosticator must navigate a narrow strait: steering clear of the “Cry of Wolf” trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of “This Time is Different” (stock valuations are sustainable this time because interest rates will remain at historic lows).

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

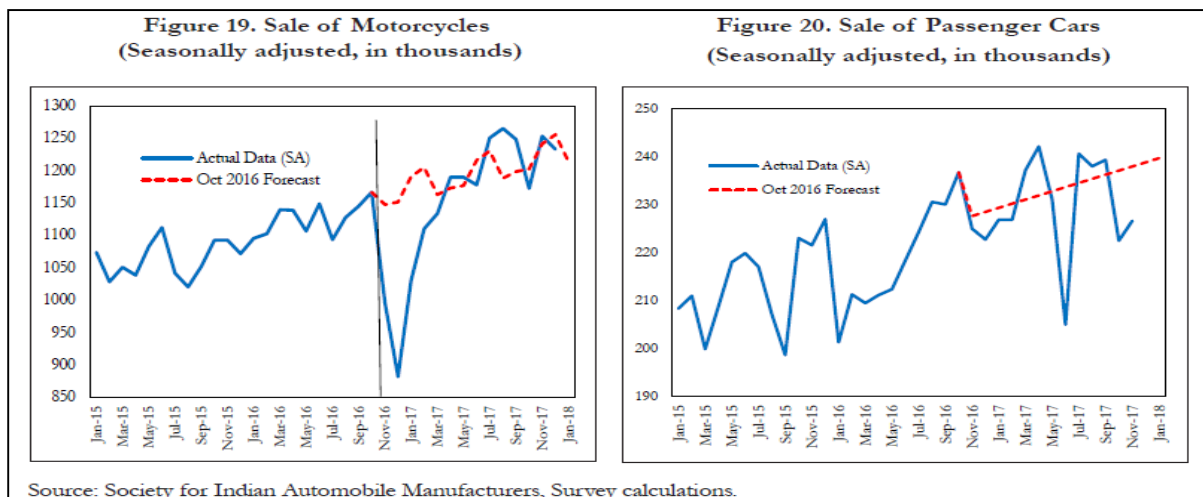
OVERVIEW OF INDIA'S ECONOMIC PERFORMANCE IN 2017-18

Economic activity

The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is

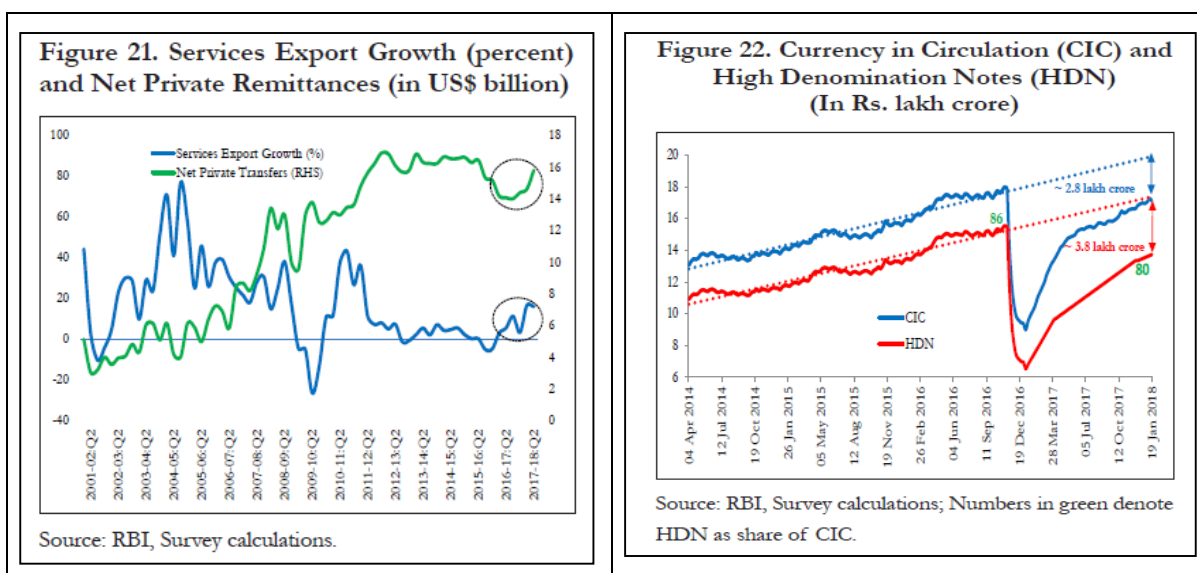
taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.

Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motor cycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering (Figures 19 and 20).



Perhaps most significantly, the behavior of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent, in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding (Figure 21).

On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh Crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh Crores less high denomination notes (2.5 percent of GDP).



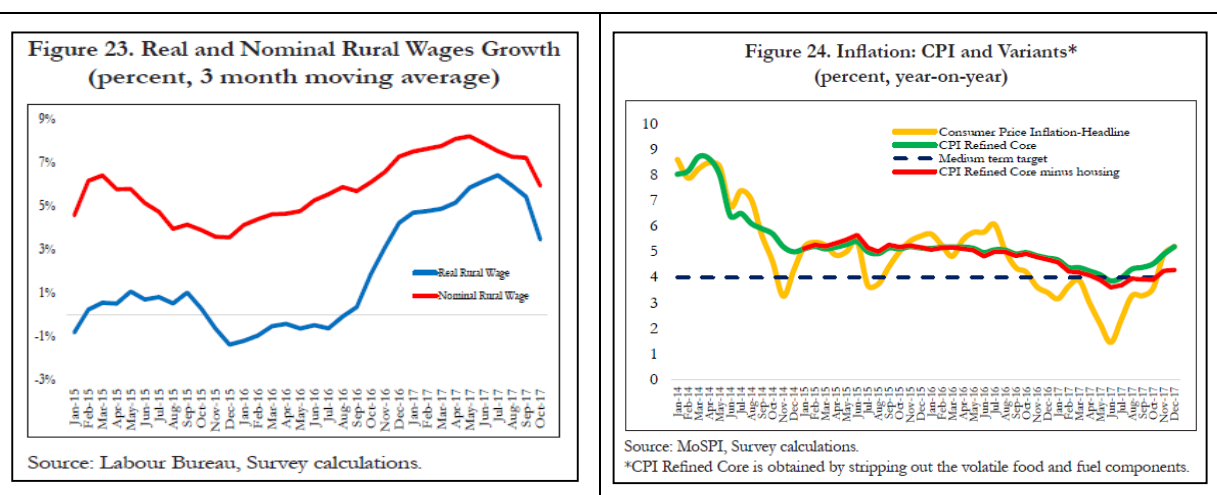
A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be

collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6). In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 (Figure 23) but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lower in both kharif and rabi, reducing the demand for labor. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farmgate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.



Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OUTLOOK FOR 2018-19

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the

world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private capex cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, re-instating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market “sudden stall” induced by sharp corrections to elevated stock prices. (Box 9 suggests that India's stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being

realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

GLOBAL MANUFACTURING INDUSTRY

World manufacturing growth

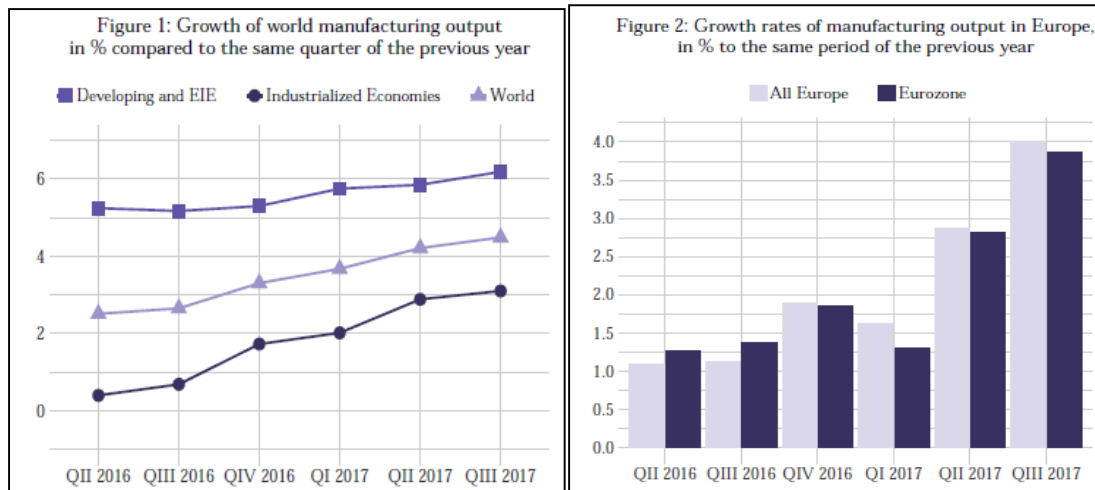
World manufacturing growth accelerated in the third quarter of 2017, as economic recovery strengthened worldwide. Positive results reported in the First half of this year carried over into the third quarter. Steady progress over several consecutive quarters characterizes both industrialized and developing and emerging industrial economies, and prospects for sustained global industrial growth in forthcoming periods are good (Figure 1). For the first time in several years, industrial growth moved back to the positive zone in all of the major economies.

The driving forces behind the positive developments in global manufacturing were improving business conditions, rising consumer spending, promising investment plans directed towards developing economies and healthy external demand support activities. On the other hand, risks for global growth such as concerns where Brexit negotiations will lead to, changes in global trade arrangements or high geopolitical uncertainty have not yet dissipated.

Global manufacturing output rose by 4.5 per cent in the third quarter of 2017 compared to the same period of the previous year. This impressive gain was based on an already strong growth throughout the first half of 2017. The disaggregated data points to the thriving performance of major industrialized economies with a significant share in global manufacturing output, namely the United States, Japan, Germany, the Republic of Korea, Italy as well as Brazil. The manufacturing output of China, the world's largest manufacturer, continued to register a high growth rate in the third quarter.

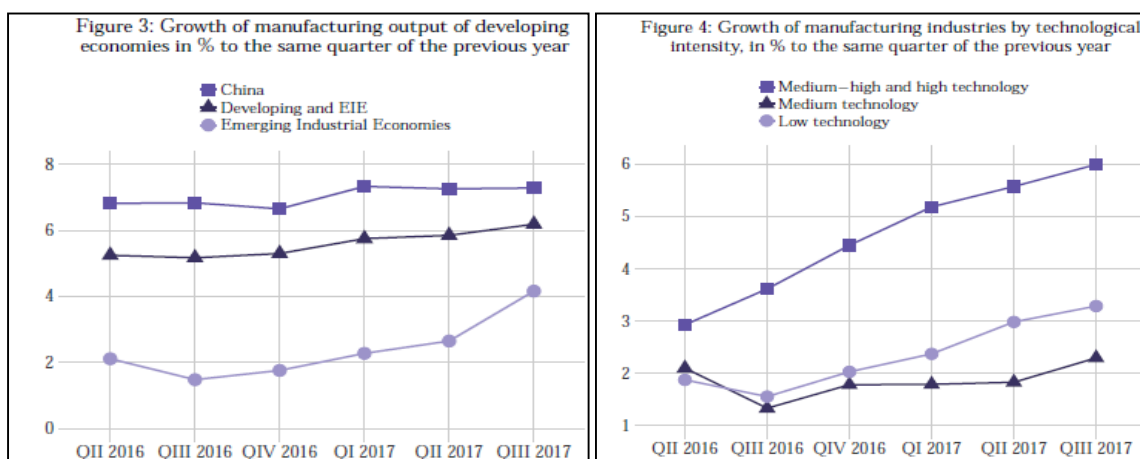
Industrialized economies as a whole exhibited record-breaking growth at 3.1 per cent in the third quarter of 2017 - the highest manufacturing output growth in a year-by-year comparison in the post-crisis period. Such growth was attributable to Europe's dynamic recovery, where a 4.0 per cent growth was achieved. East Asian industrialized economies experienced a healthy 4.5 per cent year-by-year upward trend and the nearly two-year consecutive slump has all but been forgotten. Relative lower growth was observed in the North America region, where manufacturing output expanded by a mere 1.4 per cent.

A reversal of negative trends in Argentina and Brazil has had a considerable impact on recovery in the Latin America region. Manufacturing output of the region rose by 2.5 per cent in the third quarter of 2017, which also resulted in an accelerated growth rate of developing and emerging industrial economies as a whole at 6.2 per cent. A relatively higher increase was achieved by Asia's developing economies with a 6.5 per cent expansion recorded in the third quarter on a year-to-year basis. The manufacturing production of African regions remained in the positive zone of high growth despite the weak foundation of these countries' manufacturing industries. According to UNIDO's latest estimates, African manufacturing experienced a 6.4 per cent year-to-year gain in the third quarter of 2017. Entering the second half of the year 2017, recovery in global manufacturing has evolved from being relatively modest to becoming more dynamic. Improvements were recorded in both industrialized economies and developing and emerging industrial economies.



(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Key Findings - Global manufacturing.



(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Global manufacturing production maintained a positive growth rate in all industries in the third quarter of 2017. Advanced manufacturing such as automation, robotics and digital products have been experiencing a steady expansion at the global level. Shifting from low technology to high technology manufacturing industries plays a key role in promoting innovation in the long term and, moreover, determines the positioning of economies within the global market. Therefore, the competition between advanced and emerging economies in high-tech leadership will be compelling and crucial for both groups. In the wake of the fourth industrial revolution, embracing emerging technologies brings global manufacturing production to a new level. The high growth rate in medium high and high technology industries observed in the third quarter of 2017 led to an increase in high value goods, indicating a high level of consumer confidence (Figure 4). UNIDO data largely support this pro-technology approach.

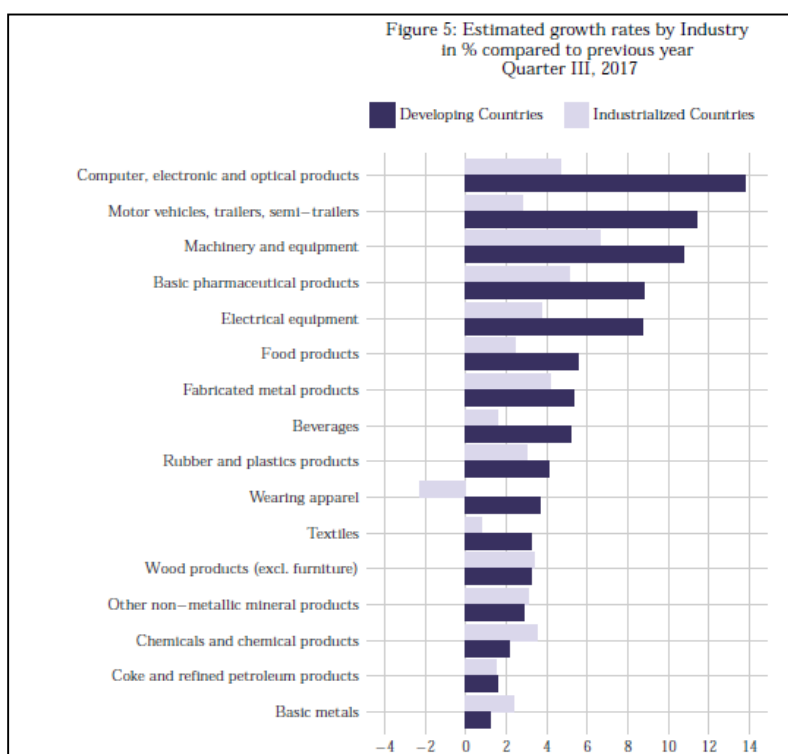
Medium high and high technology manufacturing industries have repeatedly held top positions when looking at year-by-year comparisons - these industries witnessed a 6.0 per cent growth rate, a record-breaking result in the last five years. When reviewing the individual top industries, the manufacturing of computers, electronics and optical products grew by 8.3 per cent, the production of machinery and equipment rose by 8.0 per cent, the manufacturing of pharmaceutical products by 6.7 per cent (which recorded a visibly accelerated growth rate compared to the results of the previous quarter), the production of electrical equipment by 6.1 per cent and the manufacturing of motor vehicles by 5.9 per

cent. The production in all of the above- mentioned industries was dominated by developing and emerging industrial economies compared with industrialized economies (Figure 5).

As regards medium technology manufacturing industries, 2.3 per cent growth was registered worldwide in the third quarter of 2017. The global manufacturing of rubber and plastic products increased by 3.4 per cent in a year-by-year comparison, while the manufacturing of non-metallic mineral products recorded a growth rate of 3.0 per cent. The global manufacturing of basic metals rose at a moderate pace of 1.6 per cent.

In low technology manufacturing industries, overall global production rose by 3.3 per cent in the third quarter of 2017 compared to the same period of the previous year. The global manufacturing of fabricated metal products grew by 4.6 per cent, followed by the manufacturing of furniture with a 4.3 per cent increase. Relatively high growth rates were maintained worldwide in the production of basic consumer goods - the global manufacturing of food products rose by 3.8 per cent, beverages by 3.4 per cent and the global manufacturing of both textile and wearing apparel increased by slightly over 2.5 per cent. The growth rate of the manufacturing of paper products expanded by 2.4 per cent, while coke and refined petroleum products and printing remained below 2.0 per cent.

The growth rates for selected industries are presented below. Additional statistics on the growth rates in the third quarter of 2017 are available in the Statistical Tables.



(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

INDIAN MANUFACTURING SECTOR

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr. Narendra Modi, had launched the ‘Make in India’ program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

Market Size

The Gross Value Added (GVA) at basic constant (2011-12) prices from the manufacturing sector in India grew 7.9 per cent year-on-year in 2016-17, as per the first revised estimates of annual national

income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US\$ 0.0155 as on January 04, 2018

(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.org)

INDIAN PUMP INDUSTRY OVERVIEW

Pumps & Valves segment contributes significantly to the growth of Indian economy. They have proved highly critical in productivity of the core sectors of the economy. The Pumps & Valves sector has a net value addition ratio in manufacturing of over 20 per cent. India already exports Pumps & Valves worth over US\$ 1.55 billion, serving various engineering segments, to over 100 countries. The exports in this segment are growing at a healthy rate of around 10-12 per cent annually. Additionally the Indian market is already worth over Rs 5,000 crore (US\$ 780 million) in pumps & Rs 4,500 crore (US\$ 700 million) in valves. India is already selling & supporting niche scientific & engineering technologies to developed economies in areas such as in aerospace engineering, auto components, biotechnology etc.

Today India has attained near self-sufficiency in Pumps for Nuclear Power, complete self-sufficiency in captive power generation, pulp & papers, energy efficient pumps in utilities & in agriculture sector. Considerable manufacturing segment of this sector is focusing on catering latest application in Bio-Pharma field, such as of Infusion Pumps.

Given the fact that among 'machineries', pumps are said to be produced and used in largest numbers, second only to electric motors. The overall scenario in Indian economy also favors growth & development in Indian Pumps & Valves industry, thereby opening huge potential of international collaborations.

Key Strengths

- Net value addition ratio in manufacturing of over 20 per cent
- Exports to over 100 countries
- Domestic market worth over Rs 5,000 crore (US\$ 780 million) in pumps & Rs 4,500 crore (US\$ 700 million) in valves
- Complying with highest quality systems requirements – ISO 9000, ANSI, API or EUNO series

Growth Opportunities

- Investment demands from infrastructure, energy, manufacturing & real estate is expected to sustain in medium to long term. The Government support to boost economic development is also expected to provide an attractive avenue for the Pumps & Valves industry.

- Urbanisation is expected to cater 70 per cent of the India's US\$ 15 trillion projected GDP by 2030. This entails Pumps & Valves for urban construction such as residential and commercial utilities & buildings will witness sustained demand over considerable period of time.
- Investments in infrastructure that includes electricity, roads, ports, irrigation, water supply and
- Sanitation is alone targeted with US\$ 1 trillion investments by 2017. The private sector is encouraged to execute large projects on Public Private Partnership (PPP) basis.
- The Government of India is encouraging technology development & transfer to enable small scale sector enter into high-tech areas such as aerospace, defense & manufacturing etc with a view to enhance competitiveness and offer advanced technology solutions.
- The domestic utilities and agriculture sector is also expected to witness sustained demand for Pumps & Valves.
- Indian companies are increasingly looking for international partnerships for entering technology collaborations and foreign markets.
- Large number of small scale sector players has created price sensitive offerings as an alternative to costly solutions by large players

Brand India Engineering – Pumps & Valves

Brand India Engineering campaign launched by Ministry of Commerce & Industry, Government of India aims at creating true brand value in international markets for Indian engineering products & services. It is expected to catapult India's status in engineering capabilities, by highlighting India's competitiveness, credibility & service commitments in engineering sector. India Brand Equity Foundation (IBEF), a Trust established by the Department of Commerce and EEPC India, an apex national body representing engineering industry, is steering the campaign in coordination with national associations & industry stakeholders in the Pumps & Valves sector. The Indian Pumps & Valves has created place of its own that is worth exemplification. This is what the Brand India engineering endeavours to promote.

Government Initiative

Government of India has envisaged installation of 1,00,000 solar water pumps for irrigation and drinking water purposes across the country. Indian Pumps & Valves sector has uniquely positioned itself to cater global quality solutions emerging from installations, upgradation or replacement needs.

Promoting and developing small scale sector is under priority focus of India's industrial policy. Small scale sectors forms the largest employment generator sector in India and earns the significant share in exports revenue in the country. The small scale sector is the backbone of Indian engineering sector. Indian small scale enterprises avail seamless benefits of technology upgradation and absorption through Government funded R&D collaborations like SiTarc, Coimbatore, SIEMA, CSIR, Ministry of Science & Technology etc.

Creating equitable development opportunities and promotion of International trade has been an integral embodiment & very foundation of India's cultural & socioeconomic system. Until the end of 16th century, India led the world in international trade & provided shelter to busiest trade routes. Assimilation of our traditional & universal approach of equitable opportunities & development for all has led India to become a leading example for emerging economies to emulate. The usage served by Pumps & Valves are deeply attached to the foundation of predominantly agricultural economy of India, and it is playing a critical role in building balanced all round development of the one of the largest emerging economies. Pumps & Valves are one of the most successful equipment what India has to offer to forge a partnership focusing on all round & balanced development of various economic sectors

International Recognition

There are several globally well-accepted products from India. Like vertical execution multi-stage multi-outlet (MSMO) pumps, lowest life cycle cost (LLC) pumps and concrete volute (CV) pumps.

Lowest life cycle pumps are in high international demand especially due to sustained energy efficiency over longer period and lowest pump maintenance cost. MSMO pumps are well suited for high rise urban development projects for saving valuable space. Concrete Volute products are very good & cost effective in handling large volumes of water. Other important products offered are latest solar centrifugal pumps & solar power conditioning units that has proved its potential in saving millions of units of electricity annually. Specialised valves for handling powders and abrasive fluids and highly energy efficient actuators.

Energy efficient systems and Intelligent Process Equipment Systems are being integrated in such manner so as to meet international demands and retain cost effectiveness for domestic industrial and infrastructural goals. Kirloskar Brothers Ltd, a global renowned brand, created a world record in assembling pumps in 17.25 seconds at the shop-floor.

(Source: Pump Industry in India – Overview, Market, Manufacturers, Opportunities – www.indianpumpsandvalves.com)

PUMP INDUSTRY IN INDIA- KEY HIGHLIGHTS

The Indian Pump industry is growing at an annual CAGR of ~10%– which is higher than the international CAGR average of ~6% –due to the surge in infrastructure development, growth in agriculture and other water intensive industries. The Indian Pump industry offers among the highest net value additions in the engineering industry – of over 20%. Moreover, the domestic market for Indian Pumps is growing at a healthy rate of 16-18% per annum.

India today:

- Exports pumps to 100+ countries
- Is totally self-sufficient in captive power generation pulp and papers energy efficient pumps in utilities and agriculture
- Is almost self-sufficient in pumps for nuclear power

A number of Indian Pump manufacturers are focusing on Bio-Pharma applications, such Infusion Pumps ,among other things.

Indian Pump Industry – Market Size

- The Indian pump market was worth over US\$ 1.2 billion in 2014 (i.e. over INR 8,000crore)
- India has over 800pump manufacturers
- India manufactures more than 4.5millionpumps every year
- Among ‘machineries’, Indian pumps are produced and used in largest numbers after electric motors
- The Indian Pump industry offers excellent growth opportunities for international collaborations
- Indian Pumps are exported to more than 100 countries

Indian Pumps – Market Segmentation by Share & Value

Sector	Market Share	Value
Agriculture	27%	INR 2295 crore
Building Services	19%	INR 1615 crore
Water & Wastewater Management	17%	INR 1445 crore
Power Generation	12%	INR 1020 crore
Oil & Gas	8%	INR 680 crore
Metal & Mining	4%	INR 340 crore
Others	13%	INR 1105 crore

Agriculture and Building Services comprise 46% of the market by value (INR 3910 crore). This segment of the Indian pump market is highly *fragmented* as well as *competitive* – with a large number of small and medium enterprises (SMEs) competing to increase their market share. The biggest markets for agricultural pump sets are the central Indian states of Madhya Pradesh, Maharashtra,

Tamil Nadu, Karnataka and Andhra Pradesh. The Industrial Sector comprises the remaining 54% of the market by value (INR 4590 crore). This segment of the India pump market consists of sectors like Water & Sewage Treatment, Power Generation, Oil & Gas, Metals & Mining and Others. Being *technologically intensive*, it is a relatively hard sector for small and medium enterprises (SMEs) to penetrate

Indian Pumps – Key Strengths: Why Make in India?

- India offers among the highest net value additions in the world(20%-plus)
- A ready export market in 100-plus countries
- 16% of India's pump manufacturing capacity is geared for exports (and growing)
- Healthy domestic market for pumps in India – US\$ 1.2 billion-plus (INR 8,500-plus crore)
- Above-average growth– projected at a CAGR of 10% from FY 2014 to 2017
- Technological capabilities to meet the highest quality standards – such as ISO 9000, ANSI, API or EUNO series
- Proactive government policies to stimulate agricultural growth (and demand for pumps), through: subsidized electricity and exemptions on use of solar water pumps

Such policies have inspired farmers to install independent irrigation facilities to ensure consistent availability of water. As a result of these schemes, the demand for water pumps has increased significantly.

- Rapid growth of the Indian chemical market has stimulated the demand for high quality industrial pumps
- The growing demand for lower cost of operation and zero downtime pumps gives India a competitive advantage to offset the labour cost advantage offered by low-cost/low-quality manufacturers in some Asian countries

Indian Pumps – Growth Opportunities

70% of India's US\$ 15 trillion GDP projected for 2030 will have to be supported by urban infrastructure – and will require massive doses of investment in urban infrastructure. The other growth drivers for Indian pumps include *population growth, higher water-intensive food consumption, industrialisation, growing public awareness about drinking water quality, decreasing water quality, lower water levels, and environmental pressure from government bodies on wastewater discharge*, thereby amplifying the demand many times over for the recycle and reuse of water.

Sustained medium to long term demand from

Infrastructure, Energy, Roads, Ports, Irrigation, Agriculture, Manufacturing, Water Supply, Sanitation – which alone will require a USD 1 trillion investment by 2017

The Government of India is actively encouraging technology development and transfer to enable the small scale sector (i.e. small pump manufacturers) to enter high-tech areas such as aerospace and defence Indian companies are increasingly looking for international partnerships via technology collaborations to enter foreign markets Many small scale pump manufacturers have created price sensitive offerings as viable alternatives to costly pumps manufactured by large pump manufacturers.

The Indian chemical market– growing at a rapid pace – is fuelling the demand for industrial pumps Government regulations and energy crisis are motivating water pump manufacturers to develop energy efficient products. The Government of India has introduced several policies to promote agricultural growth in the country. These policies range from subsidized electricity to exemptions on use of solar water pumps. The announcement of such policies has inspired farmers to install independent irrigation facilities to ensure consistent availability of water. Consequently, this is pushing the demand for water pumps in India.

Government Initiatives to Promote the Indian Pump Industry

The Government of India envisages the installation of 1,00,000 solar water pumps for irrigation and drinking water purposes across the country. India's industrial policy actively supports the small scale

sector – which is the backbone of the Indian engineering sector and contributes significantly to India’s engineering exports – via Government funded R&D collaborations through SiTarc, Coimbatore, SIEMA, CSIR, Ministry of Science & Technology, etc.

PCPIR (Petroleum, Chemicals and Petrochemicals Investment Region), an initiative taken by Government of India, is specifically designed to encourage foreign investment in petroleum, chemical and petrochemicals sector. This is expected to accelerate economic growth and positively impact the demand for water pumps in India.

Quality Certifications for Indian Pumps

The Indian Pump industry complies with highest quality standards – such as ISO 9000, ANSI, API or EUNO series. For instance:

- The indigenously manufactured *Fuel Booster Turbo Pump* was used in ISRO’s Cryogenic Engine
- India operates *some of the world’s best performing space rockets* ‘PSLVs’ on Fuel Booster Turbo Pump technologies
- Indian Pumps are extensively used in Indian refineries, including the Reliance Refinery – which ranks among the top 5% in the Energy Efficient Index of Shell Benchmarks

International Recognition for Indian Pumps

Indian Pumps are globally accepted for their quality.

- Lowest Life Cycle cost (LLC) Pumps, which are highly demanded globally on account of sustained energy efficiency and lower maintenance costs.
- Vertical Execution Multi-Stage Multi-Outlet (MSMO) Pumps, which are ideally suited for high rise urban development projects because they require less space
- Concrete Volute (CV) Pumps, which are extremely reliable and cost effective, and ideal for handling large volumes of water

Some of the other important products manufactured in India include solar centrifugal pumps and solar power conditioning units– which have helped save millions of units of electricity annually. Energy Efficient Systems and Intelligent Process Equipment Systems are being integrated to meet international demands and retain cost effectiveness for domestic industrial and infrastructural goals. *Kirloskar Brothers Ltd.*, a globally renowned Indian pump brand, recently created a record in its all-women Coimbatore plant by successfully reducing its “assembly time from 60 seconds to a record breaking 20 seconds; thereby increasing the plant production to 34 000 pumps per line per month”

(Source: Pump Industry in India – Overview, Market, Manufacturers, Opportunities – www.indianpumpsandvalves.com)

SUMMARY OF OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 16 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on pages 17 and 184, respectively.

OVERVIEW

Our Company was incorporated under the provisions of Companies Act, 1956 as ‘Latteys Pumps Industries Private Limited’ in Gujarat vide Certificate of Incorporation dated April 02, 2013, issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli, bearing Corporate Identification Number U29120GJ2013PTC074281.

On April 08, 2013 Our Company acquired the business of proprietorship concern of our promoter, Mr. Kapoor Chand Garg viz. M/s Latteys Pumps Industries through Memorandum of Understanding. Further, the name of the Company was changed to ‘Latteys Industries Private Limited’ upon the application made by the Company to change its name. A fresh Certificate of Incorporation dated July 11, 2017 was issued by Registrar of Companies, Gujarat, Ahmedabad for effecting the change in the name of the Company.

Subsequently, our Company was converted into a public limited company pursuant to Shareholders’ resolution passed at Extra-ordinary General Meeting of our Company held on July 14, 2017 and the name of our Company was changed to Latteys Industries Limited vide a fresh Certificate of Incorporation dated August 21, 2017 issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U29120GJ2013PLC074281.

Our Company is in the business of manufacturing of pumping solutions for homes, agriculture & industrial sectors. Pumps includes Submersible, Self-Priming, Centrifugal, Shallow and Horizontal Pumps. Our Company manufactures more than 700 models of pumps as its portfolio. These pumps are widely used by Domestic and Industrial sectors. The pumps are manufactured and sold wholly in India. We pioneer in manufacturing Submersible pumps. M/s. Latteys Pumps Industries, a proprietorship concern operated by the sole proprietor Kapoor Chand Garg commenced its manufacturing in the year 2004 in Chatraal, Gujarat and thereafter moved to a strategic location of GIDC Naroda, Gujarat with an area of 5,718 sq. meters in the year 2011.. The Company currently has an installed production capacity of 1,59,500 pumps p.a. The manufacturing facilities are equipped with requisite machineries to keep a constant check on quality. The Company is an ISO 9001:2015 and IS 14220:1994 certified company certifying the quality of the product our Company manufactures.

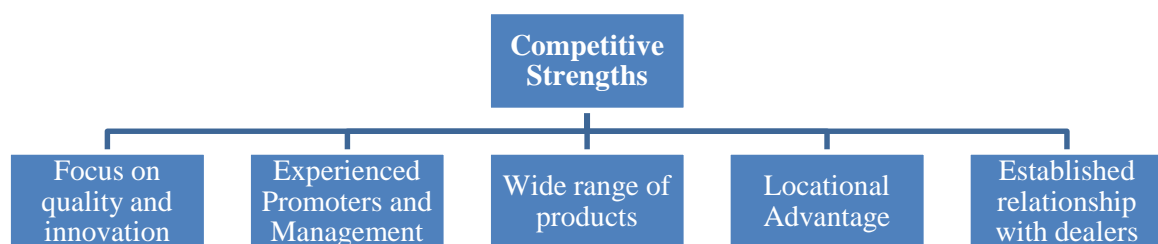
Our Company manufactures pumps of various sizes, structures, technicalities which forms the deciding factor for the uses and pricing of the product. We require raw materials like EC Grade, winding wire and cable, stainless steel pipe, electrical sheet stamping, etc. which are procured from various industries from Domestic market. We have a dedicated team of engineers which continuously

looks for improving the design, purpose and quality of the pumps we manufacture. Our customers are mostly dealers and direct users. Our relationship with our wide reach of dealers and esteemed customer base are key factors for our success in the industry.

Our Company is promoted and managed by Mr. Kapoor Chand Garg and Mr. Pawan Garg. Our Promoters are actively and fully involved in the day-to-day affairs of our Company's operations. They have more than a decade of experience in the pumps industry. Under the leadership of the Promoters, our Company has seen consistent growth both in operations and financial performance.

Our presence in the business for more than a decade have created a brand image which is also the effort of the industry experience we have, our brand is well received by the market and we shall continue to strengthen our brand by supplying qualitative products at competitive prices in coming years.

OUR COMPETITIVE STRENGTHS



1. Focus on quality and innovation

We believe our strength and success factor has been our constant focus on quality and innovation. To keep sailing on it, we stress on and constantly strive to improve the quality of our products. We have a R&D team which constantly works for product innovation. Our technically qualified team ensures that we procure raw materials only from quality suppliers. To ensure high quality production, we test samples from every lot of raw material in our laboratory or National Accreditation for Testing and Calibration Laboratories (NABL) approved material testing laboratory and only after meeting the quality criteria, it is further used for production. Further, each of our finished products is checked with respect to quality, and only after meeting the quality standards, products are considered for packaging.

2. Experienced Promoters and Management

We have an experienced management team including our promoters who have a combined experience of more than 2 decade in pumps and motor industry. Our Company is led by our Promoters, Mr. Kapoor Chand Garg and Mr. Pawan Garg who has strong experience and knowledge of the industry. Their vision and values have been the foundation of our growth story. The business which started with small manufacturing capacity is now manufacturing company with an installed capacity of 1,59,500 pumps per annum. We understand quality forms an important in pumps and motor industry and hence we have established an experienced technical team to ensure quality output. It is through the constant vision and experience of our management team including the promoters, we have been able to build a sustainable business model and created a strong market reach. We have employed people in different areas of work who have required technical competence and qualifications. We strongly believe that the success of our organization lies in the efforts of our human resources.

3. Wide range of products

Our Company manufactures pumps of various types which caters to the needs of both domestic, agricultural and industrial purposes. Products differs in terms of sizes, horsepower, structures, shapes, etc. Our Company manufactures more than 700 different types of models under its range of products. With the range of products we manufacture, it helps our Company to tap varied customers and markets.

4. Locational Advantage

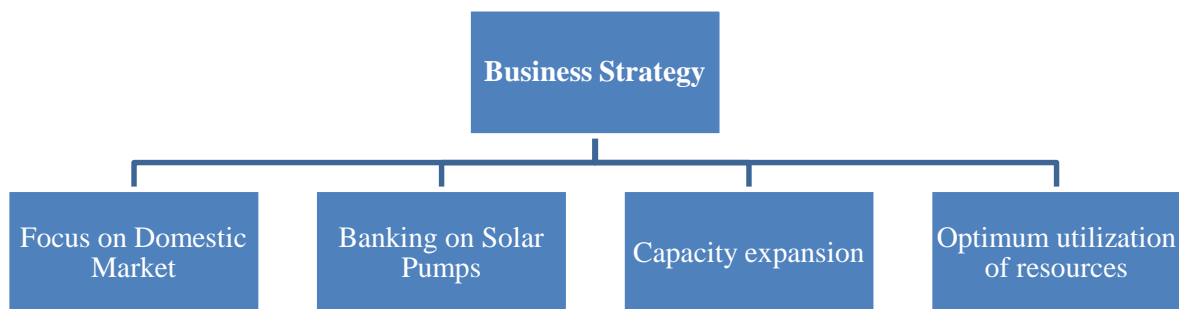
Reducing cost of production is which our Company has been focusing on since its inception. Procuring raw material at a competitive price effects our financial position quite substantially. We procure numerous raw materials which are used in our manufacturing pumps of different models and they are procured from domestic players having their facility/warehouses in close proximity to our manufacturing facility hence reducing the cost of transportation substantially without compromising on the quality of the raw material procured. It also ensures us a continuous supply of raw materials.

5. Established relationship with clients

Our company generates its revenue from catering domestic customers, we sell our products through dealers having more than 500 dealers across India. Our relationships with our dealers have been a driving force of growth in our business from whom we receive repeated orders in frequent intervals. The repetition of orders is also owing to the quality of the product we provide. Our promoter visits regularly to them to understand their needs, concerns and address them personally. We understand the industry is highly competitive and maintaining healthy relationship with them will help us to beat the competition.

BUSINESS STRATEGY

Our vision is to grow in existing and new markets by providing quality products. We intend to capitalize on the growing demand for our products in India. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business.



1. Focus on Domestic Sales

Our Company has strong presence in Domestic market with majority of its revenue coming from domestic buyers. We also have a network of more than 500 dealers across India which marks our strong presence. Due to the extensive reach of our dealership network, we are able to increase our revenue by selling more number of pumps every year. Further, we plan to increase our dealership network in few other states like, Gujarat, Rajasthan and Madhya Pradesh making our brand even more popular.

2. Banking on Solar pumps

Our Company acknowledges the fact that solar pumps are changing the industry in a fast pace and to capitalise on the same we plan to cater to the solar pumps also. Markets for solar pumps include Rajasthan, Chhattisgarh, Gujarat and Haryana. We plan to actively participate in Energy Efficient Services Ltd (EESL) orders which signify high growth potential going forward. Focussing on solar pumps would lead to an organic increase in our business operations.

3. Capacity expansion

The Company has been witnessing growth in number of pumps being sold every year and we believe this trend is to continue in coming years and to capitalise on the same we intend to increase our manufacturing capacity gradually. For this, we will look for buying additional land and also to set up new line for manufacturing within our current facility.

4. Optimum utilization of resources

Our Company constantly endeavors to improve our production process, skill up-gradation of workers, using latest technology in machineries to optimize the utilization of resources. We regularly analyse our existing raw material procurement and manufacturing processes to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use. For this we have implemented ERP in our organization, which will help us better manage our resources.

SUMMARY OF OUR FINANCIAL STATEMENTS

Annexure-I

RESTATED STATEMENTS OF ASSETS & LIABILITIES

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Share capital	158.64	154.22	154.22	99.60	76.50
(b) Reserves and surplus	200.00	150.98	95.36	33.90	14.09
Sub-Total	358.64	305.20	249.58	133.50	90.59
2. Share application money pending allotment	-	-	-	-	-
Sub-Total	-	-	-	-	-
3. Non-current liabilities					
(a) Long-term borrowings	425.05	332.98	297.12	264.38	304.50
(b) Deferred tax liabilities (net)	-	-	-	-	-
(c) Other long term liabilities	4.20	-	-	-	-
(d) Long-term provisions	11.11	9.31	7.68	4.31	3.10
Sub-Total	440.36	342.29	304.80	268.69	307.60
4. Current liabilities					
(a) Short-term borrowings	667.35	555.73	481.89	395.73	256.11
(b) Trade payables	993.09	1166.72	809.31	536.10	492.03
(c) Other current liabilities	270.63	204.30	136.72	107.36	80.78
(d) Short-term provisions	51.89	37.71	32.05	24.69	28.24
Sub-Total	1982.96	1964.46	1459.97	1063.88	857.16
TOTAL	2781.96	2611.95	2014.35	1466.07	1255.35
II. ASSETS					
1. Non-current assets					
(a) (i) Fixed assets	486.63	462.13	376.20	335.04	287.76
(ii) Fixed assets under development	88.20	-	83.83	25.51	-
(b) Non-current investments	-	-	-	-	-
(c) Deferred tax assets (net)	6.24	3.46	4.45	2.11	1.18
(d) Long-term loans and advances	8.95	8.61	10.04	2.46	0.58
Sub-Total	590.02	474.20	474.52	365.12	289.52
2. Current assets					
(a) Current investments	-	-	-	-	-
(b) Inventories	1198.50	1212.07	844.84	677.08	532.98
(c) Trade receivables	738.06	661.80	548.12	329.74	372.67
(d) Cash and cash equivalents	14.32	90.18	23.33	10.10	7.48
(e) Short-term loans and advances	230.30	166.63	114.84	78.71	52.13
(f) Other current assets	10.76	7.07	8.70	5.32	0.57
Sub-Total	2191.94	2137.75	1539.83	1100.95	965.83
TOTAL	2781.96	2611.95	2014.35	1466.07	1255.35

Annexure-II

Restated Statement of Profit and Losses

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14
I. Revenue from operations	2282.78	3569.56	2603.33	2152.40	1855.48
II. Other income	6.09	7.88	1.78	0.97	0.18
III. Total (I + II)	2288.87	3577.44	2605.11	2153.37	1855.66
Total Revenue	2288.87	3577.44	2605.11	2153.37	1855.66
IV. Expenses:					
Cost of materials consumed	1787.88	2843.73	1968.37	1688.61	1555.38
Increase / (Decrease) in Inventories	(63.50)	(156.75)	(75.09)	(56.90)	(78.64)
Employee Benefit Expense	224.06	265.92	186.53	128.74	115.21
Financial Costs	83.82	106.56	87.12	74.21	53.63
Depreciation & Amortization Expense	42.52	48.40	25.21	25.33	15.06
Other Administration Expenses	155.25	381.47	367.31	273.35	174.50
Total expenses	2230.03	3489.33	2559.43	2133.34	1835.14
V. Profit before exceptional and extraordinary items and tax (III-IV)	58.84	88.11	45.68	20.03	20.52
VI. Exceptional items	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	58.84	88.11	45.68	20.03	20.52
VIII. Extraordinary Items-	-	-	-	-	-
IX. Profit before tax (VII-VIII)	58.84	88.11	45.68	20.03	20.52
X. Tax expense:					
(1) Current tax	18.17	31.51	16.93	6.98	7.61
(2) Deferred tax	(2.78)	0.98	(2.34)	(0.93)	(1.18)
(3) Current tax expense relating to prior years	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	43.44	55.62	31.09	13.98	14.09
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-
XIV. Profit/(loss) from Discontinuing operations	-	-	-	-	-

(after tax) (XII-XIII)					
XV. Profit (Loss) for the period (XI + XIV)	43.44	55.62	31.09	13.98	14.09
XVI. Earnings per equity share:					
(1) Basic	1.34	1.72	1.03	0.55	0.58
(2) Diluted	1.34	1.72	1.03	0.55	0.58

Annexure-III

Restated Statement of Cash Flow

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>					
Restated Net profit Before Tax	58.84	88.11	45.68	20.03	20.52
Adjustments For:					
Depreciation	42.52	48.40	25.21	25.33	12.94
Profit or Loss on Sale of Fixed Assets	-	9.49	(0.99)	-	-
Interest Received	-	(0.26)	(0.10)	(0.02)	(0.17)
Rent Income	(5.90)	(6.00)	(0.62)	(0.62)	-
Net (gain) / loss on Foreign Exchanges	0.78	1.07	-	-	-
Interest and Finance Charges	83.82	106.56	87.12	74.12	53.63
Operating Profit before working capital changes	180.06	247.36	156.30	118.93	86.91
Adjustment For:					
Decrease/(Increase) in Inventories	13.57	(367.23)	(167.77)	(144.09)	(532.98)
Decrease/(Increase) in Trade receivables	(76.26)	(113.69)	(218.37)	42.92	(372.67)
Decrease/(Increase) in Short-term loans and advances	(63.67)	(51.79)	(36.13)	(26.58)	(52.13)
Decrease/(Increase) in Long Term Loans and Advances	(0.34)	1.43	(7.58)	(1.89)	(0.58)
Decrease/(Increase) in other current assets	(3.69)	1.62	(3.38)	(4.75)	(0.57)
Decrease/(Increase) in Trade Payables	(173.63)	357.41	273.20	44.08	492.03
Decrease/(Increase) in Other Current Liabilities	66.33	67.58	29.36	26.58	80.78
Decrease/(Increase) in long Term Provisions	1.80	1.63	3.37	1.21	3.10
Decrease/(Increase) in Short Term Provisions	3.01	(10.83)	8.87	(9.31)	29.88
Cash Generated from Operations	(52.82)	133.51	37.90	47.09	(266.23)
Taxes Paid	(7.00)	(15.00)	(9.00)	(4.09)	(9.25)
Net Cash From /(Used In) Operating Activities (A)	(59.82)	118.51	28.90	43.00	(275.48)
Cash Flow From Investing Activities					
Purchase of Fixed Assets or Capital Work In Progress	(155.22)	(133.87)	(138.14)	(95.26)	(300.70)
Proceeds from Fixed Assets	-	73.86	5.00	-	-
Decrease/(Increase) in Other long term Liabilities	4.20	-	-	-	-
Rent Received	5.90	6.00	0.62	0.62	-
Interest Received	-	0.26	0.10	0.02	0.17
Net Cash From /(Used In) Investing Activities (B)	(145.12)	(53.74)	(132.42)	(94.62)	(300.53)

Cash Flow From Financing Activities					
Interest and Finance Charges	(83.82)	(106.56)	(87.12)	(74.21)	(53.63)
Proceeds from Issue of Capital	10.00	-	84.98	28.94	76.50
(Decrease)/Increase in Short Term Borrowing	111.62	73.84	86.16	139.63	256.11
(Decrease)/Increase in Long Term Borrowing	92.07	35.86	32.74	(40.12)	304.50
Net gain / loss on Foreign Exchanges	(0.78)	(1.07)	-	-	-
Net Cash From Financing Activities (c)	129.08	2.07	116.75	54.23	583.49
Net Increase / (Decrease) in Cash (A)+(B)+(C)	(75.85)	66.84	13.24	2.62	7.48
Cash and Cash equivalents at the beginning of the year	90.18	23.33	10.10	7.48	-
Cash and Cash equivalents at the end of the year	14.32	90.18	23.33	10.10	7.48

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
Particulars	Details of Equity Shares
Public Issue of Equity Shares	12,22,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs.66/- per Equity Share aggregating Rs. 806.52 lakhs
Of which:	
Market Maker Reservation Portion	62,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs 66/- per Equity Share aggregating Rs. 40.92 lakhs
Net Issue to the Public*	11,60,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 66/- per Equity Share aggregating Rs. 765.60 lakhs
	<i>Of which:</i>
	5,80,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 66/- per Equity Share aggregating Rs. 382.80 lakhs will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2 lakhs
	5,80,000 Equity Shares of face value of Rs. 10 /- each fully paid of the Company for cash at price of Rs. 66/- per Equity Share aggregating Rs. 382.80 lakhs will be available for allocation to investors above Rs. 2 lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	33,77,666 Equity Shares
Equity Shares outstanding after the Issue	45,99,666 Equity Shares
Use of Proceeds(Objects of the Issue)	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 71 of this Prospectus for information on use of Issue Proceeds

Notes:

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on January 4, 2018 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting held on January 8, 2018.

As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue, the allocation in the net Issue to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage

*This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

For further details please refer to section titled '*Issue Information*' beginning on page 235 of this Prospectus

GENERAL INFORMATION

OVERVIEW OF OUR COMPANY

Our Company was originally incorporated as Latteys Pumps Industries Private Limited at Ahmedabad, Gujarat as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 02, 2013 bearing Corporate Identification Number U29120GJ2013PTC074281 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Our Company acquired the business of proprietorship concern of our Promoter Kapoor Chand Garg viz. M/s Latteys Pumps Industries vide Memorandum of Understanding dated April 08, 2013. Further, the name of our Company was changed to “Latteys Industries Private Limited” on July 11, 2017 vide a Fresh Certificate of Incorporation issued by Deputy Registrar of Companies, Ahmedabad. Subsequently, Our company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 14, 2017 and the name of our Company was changed to Latteys Industries Limited vide a Fresh Certificate of Incorporation dated August 21, 2017 issued by Deputy Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U29120GJ2013PLC074281.

For further details of change of name and registered office of our Company, please refer to chapter titled “Our History and Certain Other Corporate Matters” beginning on page 157 of this Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Latteys Industries Limited

Plot No. 16, Phase- 1/2,
GIDC Estate, Naroda Ahmedabad
Gujarat 382330 India

Tel: 079-22823354/ 22822894

Fax: Not Available

Email: info@latteysindustries.com

Website: www.latteysindustries.com

Corporate Identification Number: U29120GJ2013PLC074281

REGISTRAR OF COMPANIES

Registrar of Companies, Gujarat

ROC Bhavan, Opp Rupal Park Society,
Behind Ankur Bus Stop, Naranpura,
Ahmedabad - 380013, Gujarat.

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400051, Maharashtra, India

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Kapoor Chand Garg	44	00434621	15 Shradha Residency Motera Sabarmati Ahemdabad 380005 Gujarat India	Chairman & Managing Director

2.	Pawan Garg	37	00434836	15, Shraddha Residency Opp Sangath Platina, Motera, Sabarmati Ahmedabad 380005 Gujarat India	Whole Time Director
3.	Saroj Garg	43	03564480	15, Shraddha Residency Motera Ahmedabad 380005 Gujarat India	Non-Executive Director
4.	Sandeep Kumar Mangal	29	07335831	B-50, Shivaji Road, Subash Mohalla, North Ghonda Delhi 110053, India	Independent Director
5.	Sachin Gupta	34	03637291	146, Prem Nagar, Linepar Gali No. -5 Moradabad - 244001, Uttar Pradesh India	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 160 of this Prospectus.

CHIEF FINANCIAL OFFICER

Viralbhai Patel

Latteys Industries Limited

Plot No. 16, Phase- 1/2,
GIDC Estate, Naroda Ahmedabad
Gujarat 382330 India

Tel: 079-22823354/ 22822894

Fax: Not Available

Email: cfo@latteysindustries.com

Website: www.latteysindustries.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Jayesh Bhavsar

Latteys Industries Limited

Plot No. 16, Phase- 1/2,
GIDC Estate, Naroda Ahmedabad
Gujarat 382330 India

Tel: 079-22823354/ 22822894

Fax: Not Available

Email: cs@latteysindustries.com

Website: www.latteysindustries.com

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Lead Manager, in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs to whom the Application was submitted (at ASBA Locations) by the ASBA Applicants.

STATUTORY AUDITOR

M/s Gaurav Ashok Jain & Associates, Chartered Accountant

H.No.26, 2nd Floor, Shakti Khand-3,
Indirapuram, Ghaziabad - 201014

Uttar Pradesh, India
Tel No.: +91 9212492601
Fax No.: Not Available
Email: gajindia@gmail.com
Contact Person: Gaurav Jain
Firm Registration No: 023419N
Membership No: 506695

PEER REVIEWED AUDITOR

Piyush J. Shah & Co., Chartered Accountant

504 Shikar Building, Near. Vadilal House,
Mithakhali Six Road, Navrangpura,
Ahmedabad – 380009

Tel No.: 079-40801121, 40801155

Email: pjshahca@rediffmail.com

Website: www.pjshahca.com,

Contact Person: Piyush Shah

Firm Registration No.: 121172W

Membership No.: 108670

Piyush J. Shah & Co., Chartered Accountant holds a peer reviewed certificate dated August 16, 2015 issued by the Institute of Chartered Accountants of India.

LEAD MANAGER

Pantomath Capital Advisors Private Limited

406-408, Keshava Premises,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051, Maharashtra, India

Tel: 022-61646700

Fax: 022-26598690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Unmesh Zagade/ Lokesh Shah

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai 400083, Maharashtra, India.

Tel: 022-49186200

Fax: 022-49186195

Email: latteys.ipo@linkintime.co.in

Investor Grievance email: latteys.ipo@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan

SEBI Registration Number: INR000004058

LEGAL ADVISOR TO THE ISSUE

M V Kini

Kini House,
Near Citi Bank, D.N. Road,
Fort, Mumbai - 400001,
Maharashtra, India

Tel: 022-2261 2527/ 28/ 29

Fax: 022-2261 2530

E-mail: vidisha@mvkini.com

Contact Person: Vidisha Krishan

Website: www.mvkini.com

BANKER TO THE COMPANY

HDFC Bank Limited Shop No-9, A/14-A/15-B/14-B/17, Galaxy Avenue, Nr. Galaxy Cinema, Naroda, Ahmedabad-382330, Gujarat, India Tel: 079-22822080 Fax: N.A. E-mail: vishaln.shah@hdfcbank.com Contact Person: Vishal N Shah Website: www.hdfcbank.com	State Bank of India Naroda Industrial Estate Plot No. 184/A/1-2, Phase-1, GIDC, Naroda, Ahmedabad – 382330, Gujarat, India Tel: +91-79-22818177,22821236 Fax: +91-79-22823470 E-mail: sbi.01045@sbi.co.in Contact Person: Amit Srivastava Website:	Punjab National Bank Motera, Ahemdabad- 380005, Gujarat, India Tel: 079-27700813/713 Fax: N.A. E-mail: bo7167@pnb.co.in Contact Person: Manuj P Singh Website: www.pnbindia.in
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As on date of this Prospectus, our Company is having loan facilities from the following banks and have obtained NoC from the banks for the purpose of IPO:

1. HDFC Bank Limited

Shop No-9, A/14-A/15-B/14-B/17, Galaxy Avenue, Nr. Galaxy Cinema, Naroda, Ahmedabad-382330, Gujarat, India

Tel: 079-22822080

Website: www.hdfcbank.com

2. Deutsche Bank AG

637, Gulbai Tekra, Off CG Road, Ahmedabad-380006, Gujarat

Website: www.db.com

PUBLIC ISSUE BANK AND REFUND BANKER/BANKER TO THE ISSUE

ICICI Bank Limited

Capital Market Division, 1st Floor, 122, Mistry Bhavan,

Dinshaw Vachha Road

Backbay Reclamation,

Churchgate, Mumbai-400020

Tel: 022-66818923/924/932

Fax: 022- 22611138

Email: shweta.surana@icicibank.com

Contact Person: Shweta Surana

Website: www.icicibank.com

SEBI Registration Number: INBI00000004

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSBs for the ASBA (Applications Supported by Blocked Amount) Process is provided on website of the SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognition-Intermediaries> as updated from time to time. For details of the Designated Branches of SCSBs which shall collect Application Forms, refer to the above-mentioned link. Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Application Form are provided on the aforementioned website of SEBI.

REGISTERED BROKERS

Bidders can submit Application Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the National Stock Exchange of India Ltd., as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at National Stock Exchange of India Ltd., as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange of India Ltd., as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CREDIT RATING

This being an issue of Equity Shares, credit rating is not required.

IPO GRADING

Since the Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

APPRAISAL AND MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. 806.52 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with National Stock Exchange of India Ltd. upon listing of the Equity Shares the Audit Committee of our Company as per section 177 of Companies Act, 2013, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

EXPERT OPINION

Piyush J. Shah & Co. Chartered Accountants, have provided their written consent for the inclusion of the report on the restated financial statements in the form and context in which it will appear in the Draft Prospectus and Prospectus and the statement of tax benefits and to be named as an expert in relation hereto, and such consent has not been withdrawn at the time of delivery of this Prospectus to Stock Exchange. Except the report of the Peer Reviewed Auditor our Company has not obtained any other expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated February 14, 2018 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Pantomath Capital Advisors Private Limited 406-408, Keshava Premises Co-Op Soc. Ltd. Bandra Kurla Complex, Bandra (East) Mumbai 400051 Tel: 022 61946700 Fax: 022 26598690 Email: ipo@pantomathgroup.com Contact Person: Unmesh Zagade/ Lokesh Shah SEBI Registration Number: INM000012110	12,22,000	806.52	100%
Total	12,22,000	806.52	100%

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

Includes 62,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated February 14, 2018 with the following Market Maker, duly registered with National Stock Exchange of India Ltd. to fulfil the obligations of Market Making:

Pantomath Stock Brokers Private Limited

406-408, Keshava Premises, Behind Family Court

Bandra Kurla Complex, Bandra (East),

Mumbai – 400 051, Maharashtra, India

Tel: +91 22 61946700

Fax: +91 22 26598690

E-mail: broking@pantomathgroup.com

Website: www.pantomathbroking.com

Contact Person: Mahavir Toshniwal

SEBI Registration No.: INZ000068338

Pantomath Stock Brokers Private Limited, registered with EMERGE platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Ltd. and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. 66.00 the minimum lot size is 2,000 Equity shares thus minimum depth of the quote shall be Rs. 1.32 Lakhs until the same, would be revised by NSE.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the 62,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Ltd. may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
7. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of National Stock Exchange of India Ltd. and market maker will remain present as per the guidelines mentioned under National Stock Exchange of India Ltd. and SEBI circulars.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
9. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserves the right to appoint

other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Corporate Office from 11.00 a.m. to 5.00 p.m. on working days.

10. Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Ltd. can impose any other margins as deemed necessary from time-to-time.

11. Emerge Platform of National Stock Exchange of India Ltd. will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

12. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

Particulars	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crores	25%	24%
Rs. 20 crores to Rs. 50 crores	20%	19%
Rs. 50 to Rs. 80 crores	15%	14%
Above Rs. 80 crores	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/NSE from time to time.

OBJECT OF THE ISSUE

Requirement of Funds

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs 756.52 lakhs (the “Net Proceeds”).

We intend to utilize the Net Proceeds towards the following objects:

1. Funding the working capital requirements of the Company
2. General corporate purposes.

(Collectively, herein referred to as the “Objects”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Also, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

ISSUE PROCEEDS

The details of the proceeds of the Issue are set out in the following table:

(Rs in lakhs)

Particulars	Estimated amount
Gross Proceeds from the Issue	806.52
(Less) Issue related expenses	50.00
Net Proceeds	756.52

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in the manner set out in in the following table:

(Rs in lakhs)

Sr. No.	Particulars	Amount to be financed from Net Proceeds of the Issue (Rs. in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Funding the working capital requirements of the Company	746.52	92.56	98.68
2.	General corporate purposes	10.00	1.24	1.32

Schedule of Implementation and Deployment of Funds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Prospectus, our Company had not deployed any funds towards the objects of the Issue.

(Rs. In lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2019)
1.	Funding the working capital requirements of our Company	746.52	746.52
2.	General corporate purposes	10.00	10.00

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

FUNDING REQUIRMENTS

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

Means of Finance

The working capital requirements under our Objects will be met through the Net Proceeds to the extent of Rs 746.52 lakhs and balance through internal accruals/ net worth/Secured Loans/ Unsecured Loans and bank finance.

(Rs in lakhs)

Objects of the Issue	Amount Required	IPO Proceeds	Internal Accruals/ Net worth/ Secured Loans	Bank Loan
Funding the working capital requirements of Our Company	1870.51	746.52	423.99	700.00
General corporate purposes	10.00	10.00	-	-

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

Details of the Object

1. Funding the working capital requirements of our Company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, secured loans, unsecured loans, financing from various banks and financial institutions

As on March 31, 2016 and March 31, 2017, the amount outstanding on our Company's fund based working capital facility was Rs 481.19 lakhs and Rs 555.73 lakhs respectively as per restated financial statements. As on March 31, 2017, our sanctioned working capital facilities comprised of fund based limit of Rs 700.00 lakhs. For further details, please refer to the chapter titled "*Financial Indebtedness*" beginning on page 200.

Our Company's existing working capital requirement and funding on the basis of Restated Financial Information as of March 31, 2016 and March 31, 2017:

Amount (Rs. in lakhs)

Particulars	March 31, 2016	March 31, 2017
<i>Current Assets</i>		
Inventories		
-Raw material	595.49	805.98
-Finished goods	249.35	406.09
Trade Receivables	548.12	661.8
Cash and Bank Balance	23.33	90.18
Short term loans & advances & Other current asset	123.54	173.70
Total (A)	1539.83	2137.75
<i>Current Liabilities.</i>		
Trade Payables	809.31	1166.72
Other Current Liabilities & Short Term Provision	168.76	242.01
Total (B)	978.07	1408.73
<i>Total Working Capital (A)-(B)</i>	561.76	729.02
<i>Existing Funding Pattern</i>		
Working Capital funding from Banks	481.89	555.73
Internal accruals/Net Worth/Secured Loans	78.79	173.29

Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated May 2, 2018 has approved the business plan for the Fiscals 2018 and for the Fiscal 2019. The projected working capital requirements for Fiscal 2018 and Fiscal 2019 is stated below:

Amount (Rs. in lakhs)

Assumption for working capital requirements

Particulars	March 31, 2018	March 31, 2019
Current Assets		
Inventories		
-Raw material	996.46	958.13
-Finished goods	450.00	509.40
Trade Receivables	846.63	1031.25
Cash and Bank Balance	7.65	178.56
Short term loans & advances & Other current asset	263.92	253.28
Total (A)	2564.66	2930.62
Current Liabilities		
Trade Payables	1053.57	676.39
Other Current Liabilities & Short Term Provision	554.47	383.72
Total (B)	1608.04	060.11
Total Working Capital (A)-(B)	956.62	1870.51
Existing Funding Pattern		
Working Capital funding from Banks	652.95	700.00
IPO Proceeds	-	746.52
Internal accruals/Net Worth/Secured Loans	303.67	423.99

Assumption for working capital requirements

Assumptions for Holding Levels

(In months)

Particulars	Holding Level for March 31, 2016	Holding Level for March 31, 2017	Holding Level for March 31, 2018 (Provisional)	Holding Level for March 31, 2019 (Estimated)
Current Assets				
Raw material	3.63	3.40	4.63	3.50
Finished Goods	1.28	1.45	1.64	1.50
Trade Receivables	2.53	2.22	2.81	2.75
Current Liabilities				
Trade Payables	4.71	4.58	4.56	2.50

Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

Assets- Current Assets	
Inventories	The raw material Inventory period was that of 4.63 months for the fiscal 2017-18 and for the fiscal 2018-19 the same is assumed to be 3.50 months which is lower than FY 2017-18 level; as we intend to increase our business operations and thus we are expecting faster movement of

Assets- Current Assets	
	raw material inventory. The finished goods Inventory period was that of 1.64 months for the fiscal 2017-18 and for the fiscal 2018-19 the same is assumed to be 1.50 months which is lower than FY 2017-18 level; as we are expecting faster movement of finished goods inventory.
Trade receivables	The trade receivable period in FY 2017-18 was 2.81 months and the same is assumed to be of 2.75 months for FY 2018-19 as we expect faster payment from our customers.
Liabilities–Current Liabilities	
Trade Payables	In FY 2017-18, the credit period was 4.56 months and the same is expected to be reduced to 2.50 months in FY 2018-19 as we aim to infuse funds to prune our creditor’s period.

Our Company proposes to utilize Rs. 746.52 lakhs of the Net Proceeds in Fiscal 2019 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2019 will be arranged from existing Bank loans and internal accruals/ networth.

Pursuant to the certificate dated May 2, 2018, by Piyush J. Shah & Co., Chartered Accountant have compiled the working capital estimates from the Restated Financial Information for the Financial Years 2016 and 2017 and Provisional Financial statements for the period ended March 31, 2018 and the working capital projections as approved by the Board pursuant to its resolution dated May 2, 2018.

2. General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) on-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 50.00 Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	35.00	70%	4.34%
Regulatory fees	5.00	10%	0.62%
Marketing and Other Expenses	10.00	20%	1.24%
Total estimated Issue expenses	50.00	100%	6.20%

**As on Date of Prospectus, our Company has incurred Rs. 4.26 Lakhs towards Issue Expenses out of internal accruals.*

***SCSBs will be entitled to a processing fee of Rs. 10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment.*

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non-Institutional Applicants, would be 0.01% on the Allotment Amount# or Rs 10/- whichever is less on the Applications wherein shares are allotted.

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

#Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance project requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance project requirements will be repaid from the Net Proceeds of the Issue.

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs 10,000 lakhs in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Prospectus.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the Net Proceeds will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel or Group Companies, except in the normal course of business and in compliance with applicable law.

CAPITAL STRUCTURE

Our Equity Share capital, as at the date of this Prospectus and after the proposed Issue is set forth below: -

(in lakhs, except share data)

Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A. AUTHORISED SHARE CAPITAL		
50,00,000 Equity Shares of Rs. 10/- each.	500.00	-
B. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
33,77,666 Equity Shares of Rs. 10/- each	337.76	-
C. PRESENT ISSUE IN TERMS OF THIS PROSPECTUS		
Issue of 12,22,000 Equity Shares of Rs. 10/- each at a price of Rs.66/- per Equity Share	122.20	806.52
Consisting:		
Reservation for Market Maker of 62,000 Equity Shares	6.20	40.92
Net Issue to Public of 11,60,000 Equity Shares	116.00	765.60
Of the Net Issue to the Public		
Allocation to Retail Individual Investors of 5,80,000 Equity Shares	58.00	382.80
Allocation to Other than Retails Individual Investors of 5,80,000 Equity Shares	58.00	382.80
D. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE		
45,99,666 Equity Shares of 10/- each		459.96
E. SECURITIES PREMIUM ACCOUNT		
Before the Issue		Nil
After the Issue		684.32

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on January 04, 2018 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on January 08, 2018.

The Company has one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

Notes to Capital Structure

1. Details of change in authorised share capital since incorporation

The authorized share capital of the Company at the time of incorporation was 100.00 lakhs divided into 10,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each. The following table gives the increase in the authorised share capital post incorporation of our Company: -

Sr. No.	Particulars of increase	Date of Shareholder's meeting	AGM/ EGM
1.	Increase in authorized share capital from Rs. 1,00,00,000/- divided into 10,00,000 Equity Shares of Rs. 10/- each to Rs. 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs. 10/- each.	August 01, 2015	EGM
2.	Increase in authorized share capital from Rs. 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs. 10/- each to 3,25,00,000/- divided into 32,50,000 Equity shares of Rs. 10/- each.	July 11, 2016	EGM
3.	Increase in authorized share capital from Rs. 3,25,00,000/- divided into 32,50,000 Equity Shares of Rs. 10/- each to 5,00,00,000/- divided into 50,00,000 Equity shares of Rs. 10/- each.	January 01, 2018	EGM

2. History of Equity Share Capital of our Company:

A. The following is the history of the Equity Share Capital of our Company:

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value (in Rs.)	Issue Price (in Rs.)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (in Rs.)	Cumulative Share Premium (in Rs.)
At the time of incorporation ⁽¹⁾	10,000	10	10.00	Cash	Subscription to MoA	10,000	1,00,000	0.00
April 08, 2013 ⁽²⁾	7,55,030	10	10.00	Other than Cash	Pursuant to MOU for acquisition of business	7,65,030	76,50,300	0.00
December 15, 2014 ⁽³⁾	2,31,000	10	12.53	Cash	Rights Issue	9,96,030	99,60,300	584,430
August 10, 2015 ⁽⁴⁾	1,44,804	10	15.56	Cash	Rights Issue	11,40,834	1,14,08,340	13,89,540
August 13, 2015 ⁽⁵⁾	12,018	10	15.56	Cash	Rights Issue	11,52,852	1,15,28,520	14,56,360
August 14, 2015 ⁽⁶⁾	2,12,082	10	15.56	Cash	Rights Issue	13,64,934	1,36,49,340	26,35,536
August 27, 2015 ⁽⁷⁾	83,570	10	15.56	Cash	Rights Issue	14,48,504	1,44,85,040	31,00,185
September 01, 2015 ⁽⁸⁾	6,450	10	15.56	Cash	Rights Issue	14,54,954	1,45,49,540	31,36,047
October 26, 2015 ⁽⁹⁾	80,779	10	15.56	Cash	Rights Issue	15,35,733	1,53,57,330	35,85,179
December 28, 2015 ⁽¹⁰⁾	6,450	10	15.56	Cash	Rights Issue	15,42,183	1,54,21,830	36,21,041
September 04, 2017 ⁽¹¹⁾	44,250	10	22.60	Cash	Rights Issue	15,86,433	1,58,64,330	41,78,591

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value (in Rs.)	Issue Price (in Rs.)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (in Rs.)	Cumulative Share Premium (in Rs)
January 04, 2018 ⁽¹²⁾	1,02,400	10	50.00	Other than Cash	Conversion of Unsecured Loan into equity	16,88,833	1,68,88,330	82,74,591
January 16, 2018 ⁽¹³⁾	16,88,833	10	N.A.	Other than Cash	Bonus Issue	33,77,666	3,37,76,660	-

(1) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/-each fully paid at par as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	7,500
2.	Pawan Garg	2,500
	Total	10,000

(2) Allotment of 7,55,030 Equity shares of face value of Rs. 10/- each on April 8, 2013 for consideration other than cash pursuant to a MOU dated April 8, 2013 entered into between the Company and Mr. Kapoor Chand Garg, Proprietor of M/s. Latteys Pumps Industries for acquisition of M/s Latteys Pumps Industries;

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	7,55,030
	Total	7,55,030

(3) Rights Issue of 2,31,000 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 2.53 per equity shares on December 15, 2014 in proportion of equity shares held by the members on December 8, 2014 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	1,39,665
2.	Pawan Garg	91,335
	Total	2,31,000

(4) Rights Issue of 1,44,804 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 5.56 per equity shares on August 10, 2015 in proportion of equity shares held by the members on August 8, 2015 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	1,44,804
	Total	1,44,804

(5) Rights Issue of 12,018 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 5.56 per equity shares on August 13, 2015 in proportion of equity shares held by the members on August 10, 2015 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	12,018
	Total	12,018

(6) Right Issue of 2,12,082 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 5.56 per equity shares on August 14, 2015 in proportion of equity shares held by the members on August 13, 2015 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	2,12,082
	Total	2,12,082

(7) Right Issue of 83,570 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 5.56 per equity shares on August 27, 2015 in proportion of equity shares held by the members on August 14, 2015 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	83,570
	Total	83,570

(8) Right Issue of 6,450 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 5.56 per equity shares on September 1, 2015 in proportion of equity shares held by the members on August 27, 2015 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Saroj Garg	6,450
	Total	6,450

(9) Right Issue of 80,779 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 5.56 per equity shares on October 26, 2015 in proportion of equity shares held by the members on September 30, 2015 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Anu Garg	6,450
2.	Jawala Prasad Garg	6,450
3.	Kapoor Chand Garg	59,126
4.	Pawan J Garg HUF	8,753
	Total	80,779

(10) Rights Issue of 6,450 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 5.56 per equity shares on December 28, 2015 in proportion of equity shares held by the members on December 23, 2015 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Garg HUF	6,450
	Total	6,450

(11) Right Issue of 44,250 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 12.60 per equity shares on September 4, 2017 in proportion of equity shares held by the members on August 29, 2017 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	44,250
	Total	44,250

(12) Allotment under private placement basis of 1,02,400 equity shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 40.00 per equity shares on January 04, 2018 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Jawala Prasad Garg	82,800

Sr. No.	Name of Allottees	No. of shares Allotted
2.	Kapoor Garg HUF	19,600
	Total	1,02,400

Note: The above mentioned allottees had given unsecured loan to our Company which was adjusted towards the equity shares offered to them on Private Placement basis.

(13) Bonus Issue of 16,88,833 equity shares of face value of Rs. 10/- each on January 16, 2018 in the ratio of 1:1 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kapoor Chand Garg	14,58,045
2.	Pawan Garg	93,835
3.	Saroj Garg	6,450
4.	Anu Garg	6,450
5.	Jawala Prasad Garg	89,250
6.	Pawan Garg HUF	8,753
7.	Kapoor Garg HUF	26,050
	Total	16,88,833

3. Except as mentioned below, we have not issued any Equity Shares for consideration other than cash:

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Benefits accrued to our Company	Allottees	No of Shares Allotted
April 08, 2013	7,55,030	10.00	10.00	Other than cash	Pursuant to MOU for acquisition of business	Acquisition of business of Proprietorship concern of Kapoor Chand Garg namely Latteys Pumps Industries	Kapoor Chand Garg	7,55,030
January 4, 2018	1,02,400	10	50.00	Other than cash	Private Placement	Conversion of unsecured loans	Jawala Prasad Garg	82,800
							Kapoor Garg HUF	19,600
January 16, 2018	16,88,833	10	N.A.	Other than Cash	Bonus Issue	Capitalization of reserves	Kapoor Chand Garg	14,58,045
							Pawan Garg	93,835
							Saroj Garg	6,450
							Anu Garg	6,450

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Benefits accrued to our Company	Allottees	No of Shares Allotted
							Jawala Prasad Garg	89,250
							Pawan Garg HUF	8,753
							Kapoor Garg HUF	26,050

4. Till date no Equity Shares have been allotted by our Company pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-240 of Companies Act, 2013.
5. We have not revalued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
6. Except as mentioned below, no shares have been issued at price below Issue Price within last one year from the date of this Prospectus:

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Benefits accrued to our Company	Allottees	No of Shares Allotted
September 04, 2017	44,250	10	22.60	Cash	Right Issue		Kapoor Chand Garg	44,250
January 4, 2018	1,02,400	10	50.00	Other than cash	Private Placement	Conversion of unsecured loans	Jawala Prasad Garg	82,800
							Kapoor Garg HUF	19,600
January 16, 2018	16,88,833	10	N.A.	Other than Cash	Bonus Issue	Capitalization of reserves	Kapoor Chand Garg	14,58,045
							Pawan Garg	93,835
							Saroj Garg	6,450
							Anu Garg	6,450
							Jawala Prasad Garg	89,250
							Pawan Garg HUF	8,753

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Benefits accrued to our Company	Allottees	No. of Shares Allotted
							Kapoor Garg HUF	26,050

7. Build-up of Promoters' capital, Promoter's contribution and lock-in

A. History of Equity Share capital held by the Promoters:

As on the date of this Prospectus our Promoters Kapoor Chand Garg and Pawan Garg together hold 31,03,760 Equity Shares, constituting 91.89 % of the issued, subscribed and paid-up Equity Share capital of our Company. The built-up of shareholding of Promoters are as follows:

Kapoor Chand Garg

Date of Allotment / Transfer and Date when made Fully Paid	No. Equity Shares Allotted / Transferred	Cumulative No. of Equity Shares	Face Value	Issue/ Acquisition Price	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
At the time of Incorporation	7,500	7,500	10	10.00	Cash	Subscribers to MOA	0.22%	0.16%
April 08, 2013	7,55,030	7,62,530	10	10.00	Other than Cash	Under MOU for acquisition of business M/s Latteys Pumps Industries	22.35%	16.41%
December 15, 2014	1,39,665	9,02,195	10	12.53	Cash	Right Issue	4.13%	3.04%
August 10, 2015	1,44,804	10,46,999	10	15.56	Cash	Right Issue	4.29%	3.15%
August 13, 2015	12,018	10,59,017	10	15.56	Cash	Right Issue	0.36%	0.26%
August 14, 2015	2,12,082	12,71,099	10	15.56	Cash	Right Issue	6.28%	4.61%
August 27, 2015	83,570	13,54,669	10	15.56	Cash	Right Issue	2.47%	1.82%
October 26, 2015	59,126	14,13,795	10	15.56	Cash	Right Issue	1.75%	1.29%
September 04, 2017	44,250	14,58,045	10	22.60	Cash	Right Issue	1.31%	0.96%
January 16, 2018	14,58,045	29,16,090	10	Nil	Other than Cash	Bonus Issue	43.17%	31.70%

Date of Allotment / Transfer and Date when made Fully Paid	No. Equity Shares Allotted / Transferred	Cumulative No. of Equity Shares	Face Value	Issue/ Acquisition Price	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
Total	29,16,090						86.33%	63.40%

Pawan Garg

Date of Allotment / Transfer and Date when made Fully Paid	No. Equity Shares Offered / Transferred	Cumulative No. of Equity Shares	Face Value	Issue/ Acquisition Price	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
At the time of Incorporation	2,500	2,500	10	10.00	Cash	Subscribers to MOA	0.07%	0.05%
December 15, 2014	91,335	93,835	10	12.53	Cash	Right Issue	2.70%	1.99%
January 16, 2018	93,835	1,87,670	10	Nil	Other than Cash	Bonus Issue	2.78%	2.04%
Total	1,87,670						5.56%	4.08%

B. Details of Promoters' contribution locked in for three years:

Pursuant to the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be locked-in for a period of three years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked-in for a period of one year from the date of Allotment (“**Promoters' Contribution**”).

The Equity Shares which are being locked in for 3 (three) years from the date of Allotment are as follows:

Promoters	No. of Equity Shares Locked in	Face Value (in `)	Issue/ Acquisition Price	Date of Allotment/Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percentage of post- Issue paid-up capital	Source of Promoter's Contribution
Kapoor Chand Garg	7,500	10.00	10.00	April 2, 2013	Subscription to MOA	Cash	0.16%	Owned funds
	7,55,030	10.00	10.00	April 8, 2013	Under MOU for	Other than cash	16.41%	Sale Consideration for

Promoters	No. of Equity Shares Locked in	Face Value (in `)	Issue/ Acquisition Price	Date of Allotment/Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percentage of post- Issue paid-up capital	Source of Promoter's Contribution
					acquisition of business M/s Latteys Pumps Industries			sale of business of M/s. Latteys Pumps Industries.
	68,635	10.00	12.53	December 15, 2014	Rights Issue	Cash	1.49%	Borrowed funds*
Pawan Garg	2,500	10.00	10.00	April 2, 2013	Subscription to MOA	Cash	0.05%	Owned funds
	91,335	10.00	12.53	December 15, 2014	Rights Issue	Cash	1.99%	Borrowed funds*
TOTAL	9,25,000						20.11%	

*Loan Funds have been borrowed from Bajaj Finserv Limited as per the details given below:

Sr. No.	Date of Borrowing	Amount Rs. (in lakhs)	Name of the Borrower
1.	September 30, 2014	189.31	Kapoor Chand Garg and Pawan Garg

The Equity Shares that are being locked-in are eligible for computation of Promoter's Contribution under Regulation 33 of the SEBI ICDR Regulations. In this connection, as per Regulation 33 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not consist of:

- (i) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares which are otherwise ineligible for computation of Promoters' Contribution;
- (ii) Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (iii) Equity Shares issued to the Promoters upon conversion of a partnership firm;
- (iv) Equity Shares held by the Promoters that are subject to any pledge; and
- (v) Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

The minimum Promoters' Contribution has been brought in to the extent of, not less than the specified minimum lot and from the persons defined as "*Promoters*" under the SEBI ICDR Regulations.

Details of share capital locked in for one year

Other than the above Equity Shares that would be locked in for 3 (three) years, the entire pre-Issue capital of our Company would be locked-in for a period of 1 (one) year from the date of Allotment in the Issue pursuant to Regulation 36(b) and Regulation 37 of the SEBI ICDR Regulations.

Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the SEBI Takeover Regulations, as applicable.

8. The Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken any transactions of equity shares of our Company, during a period of 6 (six) months preceding the date on which this Prospectus is filed with Stock Exchange.

9. The list of shareholders of our Company and the Equity Shares held by them is as follows:

Details of the shareholding of our Company:

(a) The table below presents the shareholding pattern of our Company as on the date of this Prospectus:

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrant)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form		
								No of Voting Rights						Total	Total as a % of (A+B+C)	No.	As a % of total Shares held (b)		No. (a)	As a % of total Shares held (b)
								Class Equity X	Class Others Y											
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)		
(A)	Promoter & Promoter Group	7	33,77,666	-	-	33,77,666	100.00%	33,77,666	-	33,77,666	100.00%	-	100.00%	-	-	-	-	33,77,666		
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrant)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
								No of Voting Rights						Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class Equity X	Class Others Y	Total	Total								
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	7	33,77,666	Nil	Nil	33,77,666	100.00%	33,77,666	0	33,77,666	100.00%	Nil	100.00%	-	-	Nil	Nil	33,77,666	

*As on the date of this Prospectus 1 Equity Shares holds 1 vote.

Our Company will file the shareholding pattern or our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of NSE before commencement of trading of such Equity Shares.

In terms of SEBI circular bearing Number Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, all the Equity Shares held by the Promoter / members of the Promoter Group are held in dematerialized prior as on the date to filing this Prospectus.

- (a) Following are the details of the holding of securities of persons belonging to category “Promoter and Promoter Group”:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post - Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
Promoters					
1.	Kapoor Chand Garg	29,16,090	86.33%	29,16,090	63.40%
2.	Pawan Garg	1,87,670	5.56%	1,87,670	4.08%
	Sub-Total (A) =	31,03,760	91.89%	31,03,760	67.48%
Promoter-Group					
4.	Saroj Garg	12,900	0.38%	12,900	0.28%
5.	Anu Garg	12,900	0.38%	12,900	0.28%
6.	Jawala Prasad Garg	1,78,500	5.28%	1,78,500	3.88%
7.	Kapoor Garg HUF	52,100	1.54%	52,100	1.13%
8.	Pawan Garg HUF	17,506	0.52%	17,506	0.38%
	Sub-Total (B)	2,73,906	8.11%	2,73,906	5.95%
	TOTAL (A)+(B)	33,77,666	100.00%	33,77,666	73.43%

- (b) There are no public shareholders holding more than 1% of pre-Issue Capital, number of equity shares held and percentage of the total pre and post Issue Capital as on the date of filing of this Prospectus.
- (c) Other than the following, none of our Key Management Personnel hold Equity Shares in our Company as on the date of filing this Prospectus:

Sr. No.	Name	No. of Equity Shares (Face Value of Rs. 10 each)	Percentage of pre-Issue share capital (%)
1.	Kapoor Chand Garg	29,16,090	86.33%
2.	Pawan Garg	1,87,670	5.56%
	TOTAL	31,03,760	91.89%

- (d) Our top ten shareholders and the number of Equity Shares held by them as of the date of filing this Prospectus, is as follows:

Sr. No.	Name	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Kapoor Chand Garg	29,16,090	86.33%
2.	Pawan Garg	1,87,670	5.56%
3.	Jawala Prasad Garg	1,78,500	5.28%
4.	Kapoor Garg HUF	52,100	1.54%
5.	Pawan Garg HUF	17,506	0.52%
6.	Saroj Garg	12,900	0.38%
7.	Anu Garg	12,900	0.38%

Sr. No.	Name	No. of Equity Shares	% of Pre-Issue Equity Share Capital
	Total	33,77,666	100.00%

(e) Our top ten shareholders and the number of Equity Shares held by them 10 (ten) days prior to filing this Prospectus is as follows:

Sr. No.	Name	No. of Equity Shares	% of the then existing paid up Equity Share Capital
1.	Kapoor Chand Garg	29,16,090	86.33%
2.	Pawan Garg	1,87,670	5.56%
3.	Jawala Prasad Garg	1,78,500	5.28%
4.	Kapoor Garg HUF	52,100	1.54%
5.	Pawan Garg HUF	17,506	0.52%
6.	Saroj Garg	12,900	0.38%
7.	Anu Garg	12,900	0.38%
	Total	33,77,666	100.00%

(f) Our top ten shareholders and the number of Equity Shares held by them 2 (two) years prior to date of filing of this Prospectus is as follows:

Sr. No.	Name	No. of Equity Shares	% of the then existing paid up Equity Share Capital
1.	Kapoor Chand Garg	14,13,795	91.67%
2.	Pawan Garg	93,835	6.08%
3.	Pawan Garg HUF	8,753	0.57%
4.	Saroj Garg	6,450	0.42%
5.	Anu Garg	6,450	0.42%
6.	Jawala Prasad Garg	6,450	0.42%
7.	Kapoor Garg HUF	6,450	0.42%
	Total	15,42,183	100.00%

10. Our Company, Directors and Lead Manager have not entered into any buy-back or standby/safety net arrangements for the purchase of the Equity Shares of our Company from any person.
11. There are no Equity Shares against which depository receipts have been issued.
12. Other than the Equity Shares, there are no other class of securities issued by our Company.
13. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, Directors of our Promoter Group companies have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Prospectus.
14. None of the equity shares of our Company have been pledged by the Promoters or the Promoter Group.
15. Our Company has not issued any bonus shares out of revaluation of reserves.

16. Except as set out below, none of the members of the Promoter Group, the Promoter and its directors, or our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Prospectus.

Date of Allotment/Transfer	No. Of Equity Shares Allotted/Transferred	Face Value	Issue Price	Nature of Consideration	Nature of Transfer/Allotment	Name of Allottees/Transferees
January 04, 2018	82,800	10.00	50.00	Other than Cash	Private Placement (Conversion of Unsecured loan to equity)	Jawala Prasad Garg
	19,600					Pawan Garg HUF
January 16, 2018	14,58,045	10.00	N.A.	Other than Cash	Bonus Issue	Kapoor Chand Garg
	93,835					Pawan Garg
	6,450					Saroj Garg
	6,450					Anu Garg
	89,250					Jawala Prasad Garg
	26,050					Kapoor Garg HUF
	8,753					Pawan Garg HUF

17. The Lead Manager viz. Pantomath Capital Advisors Private Limited does not hold any Equity Shares of our Company as on the date of Prospectus.
18. The associates and affiliates of the Lead Manager, if any, may subscribe the Equity Shares in the Offer, either in the Net QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.
19. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Kapoor Chand Garg	29,16,090	6.29
Pawan Garg	1,87,670	6.23

20. Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014
21. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus with the Registrar of Companies and the Bid/Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transaction.
22. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
23. We do not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity

Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

24. Our Company has not raised any bridge loan against the proceeds of the Issue.
25. The Issue is being made through the Fixed Price Process and allocation would under regulation 43(4) wherein (a) minimum fifty per cent would be allotted to retail individual investors; and (b) remaining to Individual applicants other than retail individual investors; and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for; the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category. If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage. For details, see chapter titled "Issue Procedure" beginning on page 244 of this Prospectus.
26. An over-subscription to the extent of 10% of the issue to the public can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment being equal to 2,000 Equity Shares, which is the minimum bid lot in this Issue.
27. All the Equity Shares of our Company are fully paid up as on the date of this Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
28. Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
29. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
30. Other than the Equity Shares, there are no other classes of securities issued by our Company.
31. Under-subscription in the net issue, if any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the EMERGE Platform of NSE. Unsubscribed portion in any reserved category (if any) may be added to any other reserved category. The unsubscribed portion, if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
32. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the Prospectus with Stock Exchange until the Equity Shares issued through the Prospectus are listed or application moneys refunded on account of failure of Issue.
33. As per the extant policy, OCBs are not permitted to participate in the Issue.
34. There are no outstanding warrants, options or right to convert debentures, loans or other financial

instruments into our Equity Shares as on the date of this Prospectus.

35. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.
36. We have 7 shareholders as on filing of the Prospectus.
37. Our Company has not made any public issue since its incorporation.
38. Promoters and members of Promoter Group will not participate in this Issue.
39. No payment, direct or indirect, in the nature of discount, allowance, commission or otherwise, shall be made either by us or our Promoters to the persons who receive Allotments, if any, in this Issue other than to the Eligible Employees who shall be eligible for Employee Discount.
40. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “Our Management” beginning on page 160 of the Prospectus.
41. Our Company, our Promoters, our Directors and the Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
42. For the details of transactions by our Company with our Promoter Group, Group Companies for the financial years ended March 31, 2014, 2015, 2016, 2017 and for the period ended December 31, 2017, please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled ‘Financial Statements as restated’ on page 184 of the Prospectus.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Managers, on the basis of an assessment of quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 66 per equity share and is 6.6 times the face value. Investors should also refer sections titled “*Risk Factors*”, “*Financial Statements*” and chapter titled “*Our Business*” beginning on pages 17, 184, and 124 respectively of this Prospectus, to have an informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

- Focus on quality and innovation
- Experienced Promoters and management team
- Wide range of products
- Locational Advantage
- Established relationship with clients

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 124 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below is based on the restated financial statements of the Company for the Financial Years ended March 31, 2017, 2016 and 2015 and for the period ended December 31, 2017 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20 as adjusted for changes in capital

Year/ Period Ended	EPS (Rs.)	Weight
March 31, 2017	1.72	3
March 31, 2016	1.03	2
March 31, 2015	0.55	1
Weighted Average		1.30
For the period ended December 31, 2017*		1.34

**Not Annualized*

Notes:

- The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the year /period. Restated weighted average number of equity shares has been computed as per AS-20. The face value of each Equity Share is Rs. 10/-. Basic EPS is Net Profit attributable to equity shareholders divided by weighted average number of equity shares outstanding during the year/ period.
- On January 16, 2018, our Company issued 16,88,833 equity shares to the existing shareholders as fully paid Bonus Shares in the ratio of 1:1. For calculating the EPS above, these bonus shares have been taken into account for calculating the weighted average number of equity shares.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 66 per Equity Share of Rs. 10 each fully paid up

Particulars	P/E Ratio
P/E ratio based on Basic and Diluted EPS for FY 2016-17	38.37
P/E ratio based on Weighted Average Basic and Diluted EPS	50.77
*Industry P/E	
Highest	66.33
Lowest	24.84
Average	50.37

**Industry Composite comprises of Roto Pumps Limited, Shakti Pumps (India) Limited and Kirloskar Brothers Limited.*

3. Return on Net worth (RoNW)

Return on Net Worth (“RoNW”) as per restated financial statements

Year/ Period Ended	RoNW (%)	Weight
March 31, 2017	18.22	3
March 31, 2016	12.46	2
March 31, 2015	10.47	1
Weighted Average		15.01%
For the period ended December 31, 2017*		12.11%

**Not annualized*

Note: RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year/ period. Networth is calculated as sum of Equity Share Capital and Reserves and Surplus as at the end of respective year/ period.

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2017 is 6.81%

5. Net Asset Value (NAV)

NAV per Equity Share	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2017	9.45
Net Asset Value per Equity Share as of December 31, 2017	10.95
Net Asset Value per Equity Share after the Issue	26.44
Issue Price per equity share	66.00

Notes:

- Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares at the end of the year/period. Networth is calculated as sum of Equity Share Capital and Reserves and Surplus as at the end of respective year/ period.
- On January 16, 2018, our Company issued 16,88,833 equity shares to the existing shareholders as fully paid Bonus Shares in the ratio of 1:1. For calculating the NAV above, these bonus shares have been taken into account.

6. Comparison with other listed companies

Companies	CMP*	EPS (Basic and Diluted)	PE Ratio	RON W (%)*	NAV (Rs. per share)	Face Value	Total Income(Rs. in Lakhs)
Latteys Industries Limited	66.00	1.72	38.37	18.22	9.45	10.00	3,577.44
Peer Groups**							
Roto Pumps Limited	105.80	4.26	24.84	10.44	40.82	2.00	9,515.79
Shakti Pumps (India) Limited	702.00	11.71	59.95	9.62	120.60	10.00	41,171.94
Kirloskar Brothers Limited	275.95	4.16	66.33	3.94	105.53	2.00	1,84,127.68

*CMP of the Company is considered as Issue Price

**Source: www.bseindia.com

Notes:

- Considering the nature and size of business of our Company the peers are not strictly comparable. However, same have been included for broad comparison.
- The figures for Latteys Industries Limited are based on the restated results for the year ended March 31, 2017.
- The figures for the peer group are based on the standalone audited results for the year ended March 31, 2017.
- Current Market Price (CMP) is the closing price of respective scrips as on May 4, 2018 on BSE.
- NAV is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves and miscellaneous expenditure).
- P/E Ratio has been computed based on the closing market price of respective equity shares on May 4, 2018 sourced from BSE website as divided by the respective EPS provided under note.
- RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves and miscellaneous expenditure).
- The Issue Price of Latteys Industries Limited is Rs. 66 per Equity Share.

For further details see section titled “Risk Factors” beginning on page 17 of this Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Statements” beginning on page 184 of this Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFIT

Statement of possible tax benefits available to the company and its shareholders

**The Board of Directors
Latteys Industries Limited
(Formerly Know As Latteys Industries Pvt Ltd / Latteys Pumps Industries Pvt Ltd)
Plot No: 16, Phase: 1/2,
GIDC Naroda, Naroda,
Ahmedabad, Gujarat, India.**

Dear Sir,

Sub: Statement of possible special tax benefits (“the statement”) available to Latteys Industries Limited (Formerly Known as Latteys Industries Pvt Ltd / Latteys Pumps Industries Pvt Ltd) (“the Company”) and its shareholders prepared in accordance with the requirements in Schedule VIII – Clause (VII) (L) of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“the regulations”)

We hereby report that the enclosed annexure, prepared by Management of **Latteys Industries Limited (Formerly Known as Latteys Industries Pvt Ltd / Latteys Pumps Industries Pvt Ltd)** (“the Company”), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (‘Act’) as amended by the Finance Act, 2016 (i.e. applicable to Financial Year 2016-17 relevant to Assessment Year 2017-18), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on the business imperatives which the company may face in the future, the company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the company and its shareholders and do not cover any general tax benefits available to the Company or its Shareholders. This statement is only intended to be a substitute for professional tax advice. A shareholder is advised to consult his/her/its own tax consultant with respect to the tax implications arising out of his /her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

The content of this annexure are based on information, explanations and representations obtained from the company and on the basis of our understanding of the business activities and operations of the company and the provisions of the tax laws.

*No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to **Latteys Industries Limited (Formerly Known as Latteys Industries Pvt Ltd / Latteys Pumps Industries Pvt Ltd)** for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

The enclosed annexure is intended for your information and for inclusion in the Draft Prospectus/ Prospectus in connection with the proposed issue of equity shares and is not to be used , referred to or distributed for any other purpose without our written consent.

For, Piyush J. Shah & Co.
Chartered Accountants
Firm Reg no: 121172W

CA Arvind Vijayvargiya
Designation: Partner
Membership No.: 165063

Place: Ahmedabad
Date: 21st February, 2018

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO LATTEYS INDUSTRIES LIMITED (FORMERLY KNOWN AS LATTEYS INDUSTRIES PVT LTD / LATTEYS PUMPS INDUSTRIES PVT LTD) AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Act

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Act

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees agreed for this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

Market Size

India's manufacturing sector has the potential to touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive.

SECTION IV- ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 17 and 184 respectively of this Prospectus before deciding to invest in our Equity Shares.

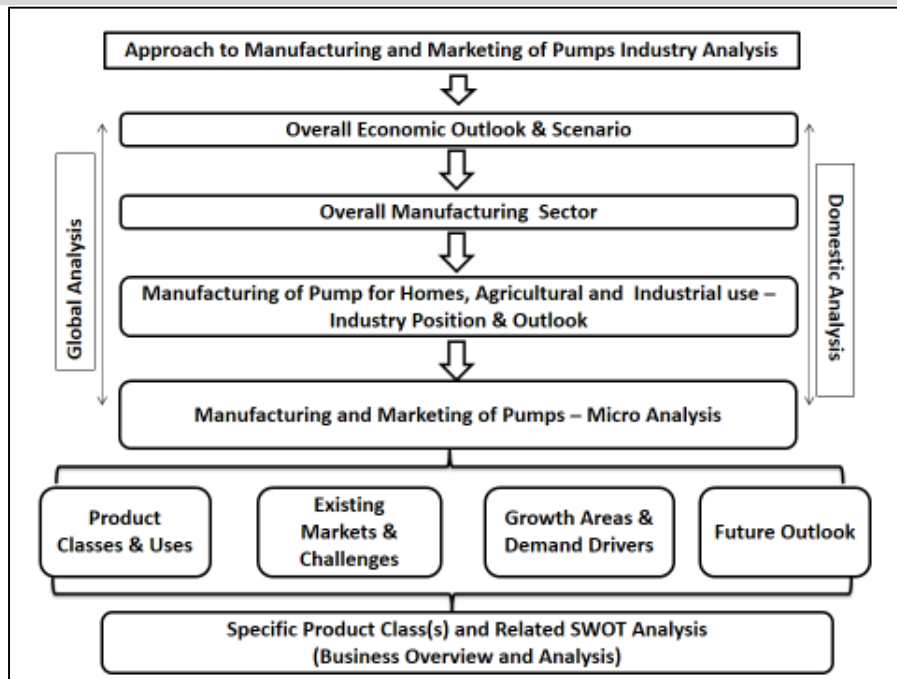
INTRODUCTION TO MANUFACTURING OF PUMPS INDUSTRY

Pumps & Valves segment contributes significantly to the growth of Indian economy. They have proved highly critical in productivity of the core sectors of the economy. The Pumps & Valves sector has a net value addition ratio in manufacturing of over 20 per cent. India already exports Pumps & Valves worth over US\$ 1.55 billion, serving various engineering segments, to over 100 countries. The exports in this segment are growing at a healthy rate of around 10-12 per cent annually. Additionally the Indian market is already worth over Rs 5,000 crore (US\$ 780 million) in pumps & Rs 4,500 crore (US\$ 700 million) in valves. India is already selling & supporting niche scientific & engineering technologies to developed economies in areas such as in aerospace engineering, auto components, biotechnology etc.

Today India has attained near self-sufficiency in Pumps for Nuclear Power, complete self-sufficiency in captive power generation, pulp & papers, energy efficient pumps in utilities & in agriculture sector. Considerable manufacturing segment of this sector is focusing on catering latest application in Bio-Pharma field, such as of Infusion Pumps. Given the fact that among ‘machineries’, pumps are said to be produced and used in largest numbers, second only to electric motors. The overall scenario in Indian economy also favors growth & development in Indian Pumps & Valves industry, thereby opening huge potential of international collaborations.

(Source: Pump Industry in India – Overview, Market, Manufacturers, Opportunities, www.indianpumpsandvalves.com)

APPROACH TO MANUFACTURING AND MARKETING OF PUMPS INDUSTRY ANALYSIS



This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Manufacturing and marketing of pumps Industry and / or any other industry, may entail legal consequences.

Analysis of Manufacturing and Marketing of Pumps Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Manufacturing and Marketing of Pumps Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Manufacturing and Marketing of Pumps Industry.

Manufacturing Sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Manufacturing Sector is "Pump Manufacturing Industry", which in turn encompasses various segments such as Manufacturing of Pumps for Domestic and Industrial Sector.

Thus, the micro analysis of segments such as Manufacturing of Domestic and Industrial Pumps should be analysed in the light of "Manufacturing Sector" at large. An appropriate view on Manufacturing of Pumps Industry including manufacturing of Submersible, Self-Priming, Centrifugal, Shallow and Horizontal Pumps Segment, then, calls for the overall economic outlook, performance and expectations of Pumps and Valves Sector, position of Pump Manufacturing Industry and micro analysis thereof.

GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and the forecast for 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia,

which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach \$61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time. The consensus forecast calls for these conditions to be sustained in 2018, as companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain stimulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.
- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary manoeuvre since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become “an obsession in search of a justification.” Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in

product and labor markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession?

On valuations, the prognosticator must navigate a narrow strait: steering clear of the “Cry of Wolf” trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of “This Time is Different” (stock valuations are sustainable this time because interest rates will remain at historic lows).

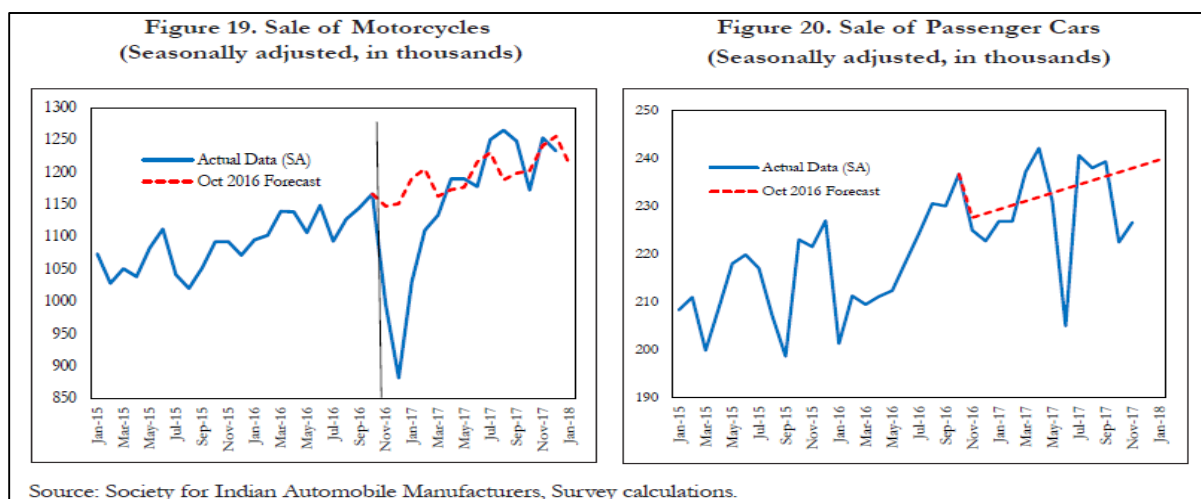
(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OVERVIEW OF INDIA’S ECONOMIC PERFORMANCE IN 2017-18

Economic activity

The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.

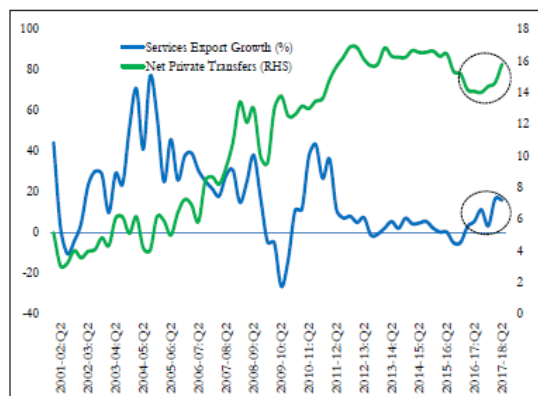
Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motor cycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering (Figures 19 and 20).



Perhaps most significantly, the behaviour of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent, in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding (Figure 21).

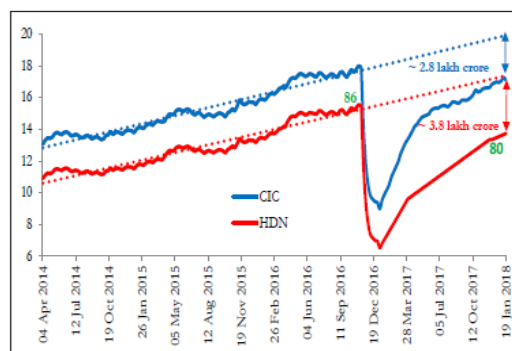
On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh Crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh Crores less high denomination notes (2.5 percent of GDP).

Figure 21. Services Export Growth (percent) and Net Private Remittances (in US\$ billion)



Source: RBI, Survey calculations.

Figure 22. Currency in Circulation (CIC) and High Denomination Notes (HDN) (In Rs. lakh crore)



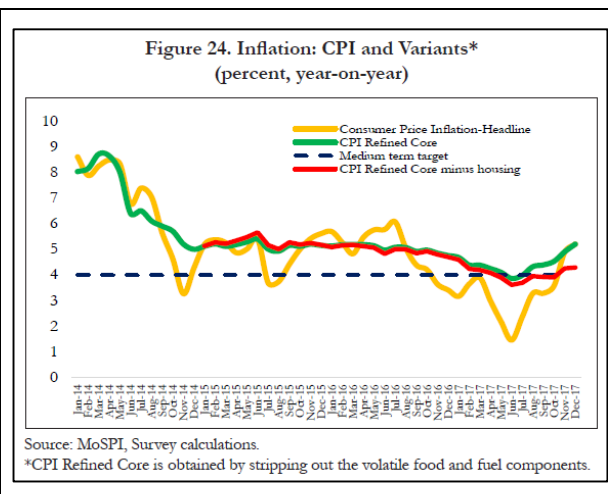
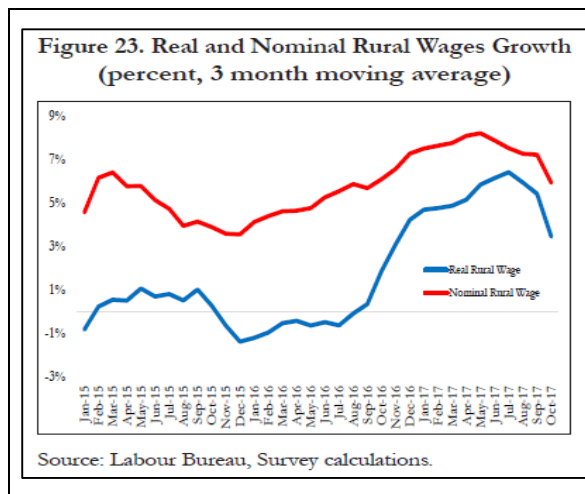
Source: RBI, Survey calculations; Numbers in green denote HDN as share of CIC.

A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6). In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 (Figure 23) but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lower in both kharif and rabi, reducing the demand for labor. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farmgate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.



Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

Macroeconomic indicators

After 13 months of continuously under-shooting the inflation target by an average of 130 basis points, headline inflation for the first time crossed the RBI's 4 percent target in November, posting a rate of 5.2 percent in December 2017 (Figure 24). The recent upswing in inflation stems from rising global oil prices (not all of which has been passed on to consumers), unseasonal increases in the prices of fruits and vegetables, and the 7th Pay Commission housing rent allowances, which mechanically increase inflation. Stripped of all these factors, underlying inflation has been increasing at a more modest pace, reaching 4.3 percent at end-December—in part because firms are passing the incidence of GST on to final consumers only gradually.

The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and gold deficit, a services deficit, and a remittances deficit (Figure 25). In the first half of 2017-18, the oil and gold balance has improved (smaller deficit of \$47 billion) but this has been offset by a higher trade deficit (\$18 billion) and a reduced services surplus (\$37 billion), the latter two reflecting a deterioration in the economy's competitiveness.

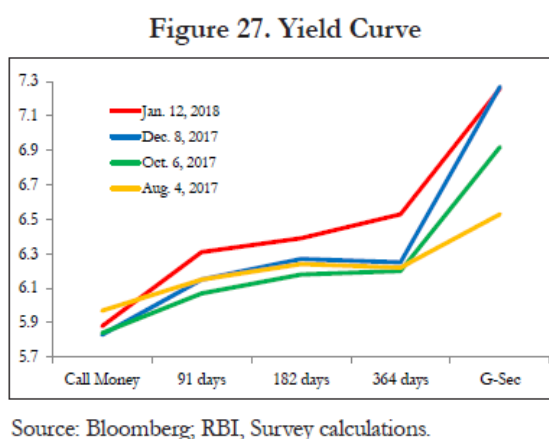
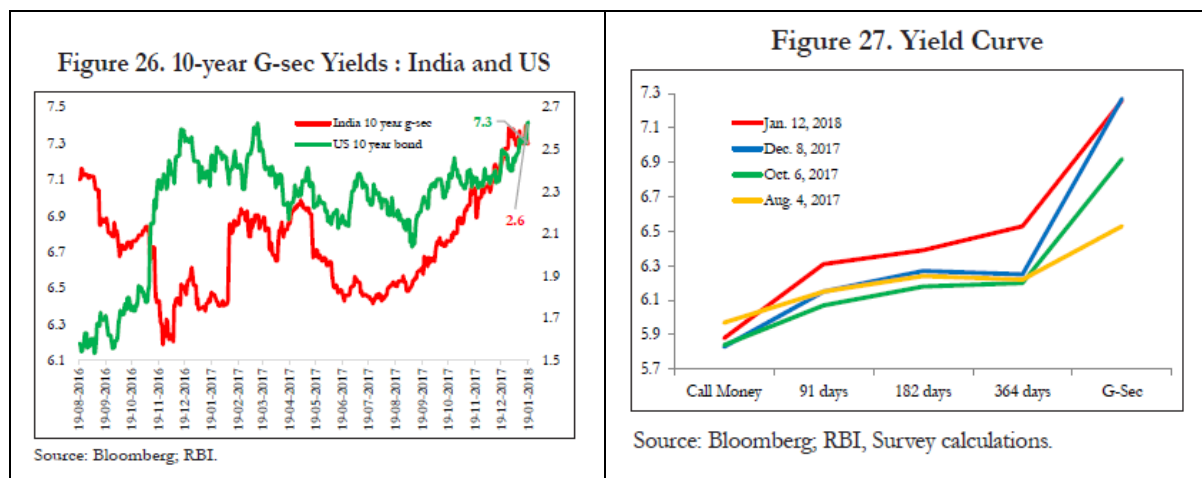
Despite these developments, the overall external position remains solid. The current account deficit is well below the 3 percent of GDP threshold beyond which vulnerability emerges. Meanwhile, foreign exchange reserves have reached a record level of about \$432 billion (spot and forward) at end-December 2017, well above prudent norms.

Fiscal developments

Bond yields have increased sharply (Figure 26) since August 2017, reflecting a variety of factors, including concerns that the fiscal deficit might be greater-than-budgeted, expectations of higher inflation, a rebound in activity that would narrow the output gap, and expectations of rate increases in the US. As a result, the yield curve has become unusually steep (Figure 27).

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a

fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.



GST revenue collections are surprisingly robust given that these are early days of such a disruptive change (See Box 7). Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to rise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government’s contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 Crores over the two fiscal years of 2016-17 and 2017-18.³ Another based on comparing the difference in actual tax buoyancy in 2016-17 and 2017-18 over the previous seven-years’ average buoyancy, yields an estimate of about Rs. 65,000 Crores (both exclude the 25,000 Crores collected under the Income Disclosure Scheme and Pradhan Mantri Garib Kalyan Yojana). Thus, the sum of all government efforts increased income tax collections, thus far, between Rs. 65,000 and Rs. 90,000 Crores. These numbers imply a substantial increase in reported incomes (and hence in formalization) of about 1.5 percent to 2.3 percent of GDP.

As a result of the budget overruns, the central government’s fiscal deficit until November 2017 was Rs. 6.1 lakh crore compared to the budgeted Rs. 5.5 lakh crore. In contrast, state governments seem to be hewing closely to their targeted fiscal consolidation – in part because the centre has guaranteed them a large increase in their indirect tax take, as part of the GST agreement.

Reflecting largely fiscal developments at the centre, a pause in general government fiscal consolidation relative to 2016-17 cannot be ruled out. In addition, the measured deficit for 2017-18 will include Rs. 80,000 crore (0.5 percent of GDP) in capital provided to public sector banks. But this will not affect aggregate demand, as reflected in international accounting practice which deems such operations as financing (“below-the-line”) rather than expenditure.

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the central and state levels (Figure 28) is discussed in greater detail in Box 8. For general government, about Rs. 40,000 Crores represents greater market borrowings that is not due to deficits—a fact which markets apparently have not internalized.

Another factor contributing to the rise in bond yields has been stepped-up Open Market Operations (OMO) by the RBI. This amounted to a net sale of about Rs. 90,000 Crores during April-December 2017-

18 (compared to a net redemption of Rs. 1.1 lakh Crores during the same period in 2016-17) to sterilize the impact of foreign flows, themselves induced by high interest rates.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OUTLOOK FOR 2018-19

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, re-instating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market “sudden stall” induced by sharp corrections to elevated stock prices. (Box 9 suggests that India's stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal

interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

GLOBAL MANUFACTURING INDUSTRY

World manufacturing growth

World manufacturing growth accelerated in the third quarter of 2017, as economic recovery strengthened worldwide. Positive results reported in the First half of this year carried over into the third quarter. Steady progress over several consecutive quarters characterizes both industrialized and developing and emerging industrial economies, and prospects for sustained global industrial growth in forthcoming periods are good (Figure 1). For the first time in several years, industrial growth moved back to the positive zone in all of the major economies.

The driving forces behind the positive developments in global manufacturing were improving business conditions, rising consumer spending, promising investment plans directed towards developing economies and healthy external demand support activities. On the other hand, risks for global growth such as concerns where Brexit negotiations will lead to, changes in global trade arrangements or high geopolitical uncertainty have not yet dissipated.

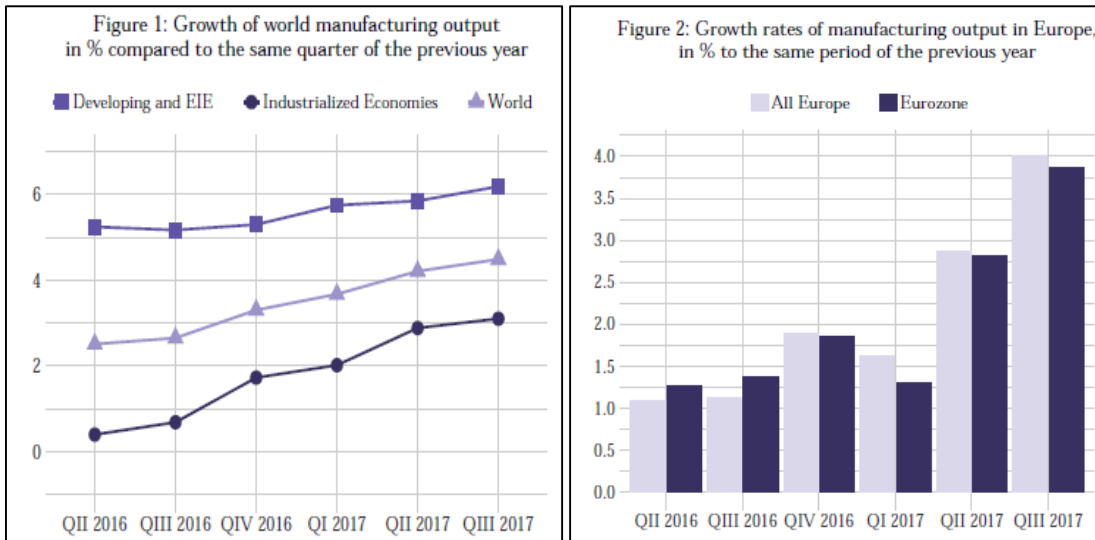
Global manufacturing output rose by 4.5 per cent in the third quarter of 2017 compared to the same period of the previous year. This impressive gain was based on an already strong growth throughout the first half of 2017. The disaggregated data points to the thriving performance of major industrialized economies with a significant share in global manufacturing output, namely the United States, Japan, Germany, the Republic of Korea, Italy as well as Brazil. The manufacturing output of China, the world's largest manufacturer, continued to register a high growth rate in the third quarter.

Industrialized economies as a whole exhibited record-breaking growth at 3.1 per cent in the third quarter of 2017 - the highest manufacturing output growth in a year-by-year comparison in the post-crisis period. Such growth was attributable to Europe's dynamic recovery, where a 4.0 per cent growth was achieved. East Asian industrialized economies experienced a healthy 4.5 per cent year-by-year upward trend and the nearly two-year consecutive slump has all but been forgotten. Relative lower growth was observed in the North America region, where manufacturing output expanded by a mere 1.4 per cent.

A reversal of negative trends in Argentina and Brazil has had a considerable impact on recovery in the Latin America region. Manufacturing output of the region rose by 2.5 per cent in the third quarter of 2017, which also resulted in an accelerated growth rate of developing and emerging industrial economies as a whole at 6.2 per cent. A relatively higher increase was achieved by Asia's developing economies with a 6.5 per cent expansion recorded in the third quarter on a year-to-year basis. The manufacturing

production of African regions remained in the positive zone of high growth despite the weak foundation of these countries' manufacturing industries. According to UNIDO's latest estimates, African manufacturing experienced a 6.4 per cent year-to-year gain in the third quarter of 2017.

Entering the second half of the year 2017, recovery in global manufacturing has evolved from being relatively modest to becoming more dynamic. Improvements were recorded in both industrialized economies and developing and emerging industrial economies.



(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Industrialized economies

The manufacturing output of industrialized economies has followed a progressively improving upward trend over the last quarters. All industrialized regions, namely Europe, North America and East Asia, were characterized by robust dynamics in the third quarter and took a step towards a steady future.

The latest data revealed an acceleration of growth in the manufacturing sector of European economies during the third quarter of 2017 in a year-by-year comparison, beating expectations. Improved business and consumer confidence complemented by strong domestic and external demand resulted in new business and export orders. All of these factors provide tremendous opportunities to investors and signal that Europe's manufacturing sector is gradually stabilizing.

Taking a closer look at specific numbers, Europe's manufacturing sector as a whole stepped up production by 4.0 per cent in the third quarter of 2017, while the growth rate in the eurozone countries increased by 3.9 per cent compared to the same period of the previous year. In both cases, the result meant a 1.0 per cent jump from the previous quarter's results

The major economies of the Eurozone recorded strong growth in the third quarter of 2017. Manufacturing output rose by 4.6 per cent in Germany, 3.8 per cent in Italy and 2.8 per cent in France comparing year-to-year developments. Spain, another leading Eurozone economy, achieved a 3.3 per cent growth rate. The manufacturing output of other economies of the single currency block seemingly remained healthy in the third quarter and continued on the trajectory of continuous improvement. The highest growth of over 8.0 per cent was observed in Slovenia and Lithuania. Among other economies, manufacturing output grew by 5.8 per cent in Austria, 4.7 per cent in Belgium, 5.2 per cent in Portugal and 3.8 per cent in Slovakia.

Among individual economies beyond the euro zone, the Swiss manufacturing sector experienced the strongest increase in the last 10 years and expanded sharply by 8.7 per cent compared to the same period

of the previous year. The rapid surge from an upwardly revised 3.3 per cent gain in the previous quarter was primarily boosted by the manufacturing of pharmaceuticals and of computer, electronic and optical products. The manufacturing output in the United Kingdom rose by 2.7 per cent compared to the same period of the previous year. Another exceptionally positive result was observed in Sweden with a 5.8 per cent growth rate. Higher growth rates above 5.0 per cent were also observed in Czechia and Hungary.

North America's overall manufacturing growth was lower than in other industrialized regions at 1.4 per cent. The United States' manufacturers have recently picked up as the dollar dropped in value, making U.S. goods cheaper in foreign markets and boosting exports. However, a 1.2 per cent growth in the U.S.' total manufacturing production in the third quarter of 2017 represents a slight slowdown, given the performance of the U.S.' manufacturing sector in the second quarter. A solid performance was witnessed in Canadian manufacturing, where production expanded by 3.2 per cent.

Strong global growth continued to drive manufacturing activity in industrialized East Asian economies during the third quarter, leading the manufacturing production to expand by 4.5 per cent. Japan's manufacturing output rose by 4.7 per cent compared to the same period of the previous year. Despite the slightly lower figure in the third quarter, Japan has maintained an uninterrupted period of high growth for several consecutive quarters. Growth momentum strengthened in Malaysia, where manufacturing output recorded a 7.0 per cent increase in the third quarter of 2017. A particularly strong two-digit growth rate was observed in Singapore, while the Republic of Korea and Taiwan, Province of China's manufacturing production expanded only moderately by 1.4 per and 3.3 per cent, respectively.

The manufacturing recovery in Russia remained largely on track in the third quarter of 2017, with a nearly 1.0 per cent expansion recorded on a year-to-year basis. A similar growth rate was also observed in Norway which further reduced its contraction rate.

(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Developing and Emerging Industrial Economies

The combination of good results in all developing and emerging industrial regions helped the developing and emerging industrial economies as a whole achieve a 6.2 per cent growth in the third quarter of 2017 (Figure 3). The recovery of Latin America continues unabated, the growth momentum is also largely holding up across the Asian economies and production in Africa is further promoting from boosted investor confidence.

Manufacturing activity in China has stabilized at the same pace of growth since the beginning of 2017 - a 7.3 per cent increase on a year-by-year basis. The development of advanced manufacturing industries and the new investment plan in the environment has led to an overall upgrade of China's manufacturing industry.

Latin America has made positive developments in the manufacturing sector, following the resumption of growth in the second quarter. Brazilian manufacturers are finally emerging from the deep recession with an upward trend of 2.8 per cent recorded in the third quarter of 2017. The largest expansion was observed in the manufacturing of motor vehicles, trailers and semi-trailers. Meanwhile, Argentina has overcome a severe decline in economic growth with the country's manufacturing activity recording a growth of 4.4 per cent – its best performance over the last six years. Looking at other countries in the region, Mexico's manufacturing production retained a positive increase of nearly 3.5 per cent, Chile recorded a moderate upturn of 1.5 per cent, while manufacturing output in Peru and Ecuador decreased in comparison to the same period of 2016.s

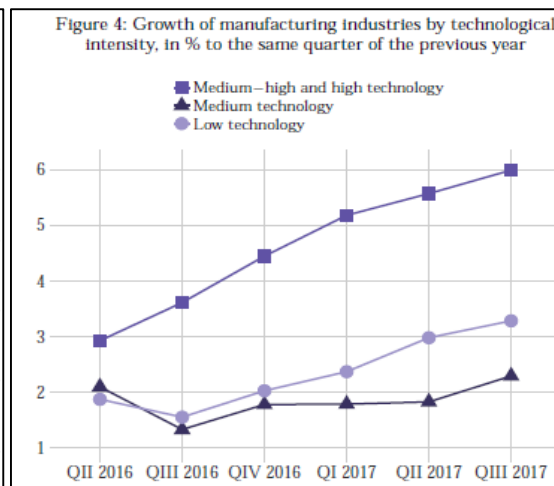
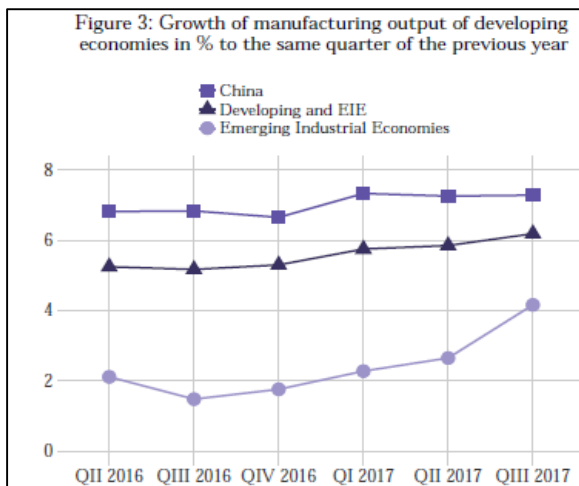
An impressive growth rate was observed in Asia and the Pacific region. Viet Nam, one of Asia's fast growing economies, continued to attract sizeable foreign direct investment in-ows. Its manufacturing

sector was supported by strong demand for electronics and retained a solid pace in the third quarter, expanding by 12.8 per cent. However, the long-term trajectory of double-digit year-to-year growth in manufacturing was interrupted at the beginning of 2017 due to weakened exports. A positive development in growth was also observed in Indonesia, where manufacturing production accelerated and registered a 5.5 per cent gain in the third quarter of 2017. Similarly, the slowed performance of India's manufacturing sector in the last quarter improved slightly, with a moderate 2.2 per cent increase. In Thailand, manufacturing output rose by 4.2 per cent, which was mainly supported by a higher output of the automotive industry. As regards the manufacturing output of other economies from the region, Pakistan and Mongolia performed well, but the Philippines and Jordan's manufacturing sector contracted in a year-by-year comparison.

Among Africa's economies, South Africa, the region's most industrialized country, has been performing below its potential since the final quarter of 2016 and has entered a recession. Following three quarters of depressed manufacturing production in a row, South Africa's manufacturing sector showed marginal positive growth in the third quarter of 2017. However, its current growth is still too weak to project whether the recession will be overcome by the end of the year. Similarly, Tunisia's manufacturing output rose by 2.4 per cent following a period of contraction. A positive growth rate was also registered in Egypt and Morocco, while Senegal and Nigeria's manufacturing output fell compared to the same period of the previous year. However, it should be noted that estimates for Africa are based on limited data, revealing high instability and volatility.

Among other developing economies, the manufacturing output of Eastern European countries registered relatively higher growth rates in the third quarter of 2017. Manufacturing output rose by 8.2 per cent in Poland, 4.7 per cent in Belarus, 5.8 per cent in Bulgaria, 8.5 per cent in Serbia and over 9.0 per cent in Romania, Latvia and Bosnia and Herzegovina. Turkey's manufacturing sector also performed well and exceeded 10.0 per cent growth rate.

Key Findings - Global manufacturing.



(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Global manufacturing production maintained a positive growth rate in all industries in the third quarter of 2017. Advanced manufacturing such as automation, robotics and digital products have been experiencing a steady expansion at the global level. Shifting from low technology to high technology manufacturing industries plays a key role in promoting innovation in the long term and, moreover, determines the positioning of economies within the global market. Therefore, the competition between advanced and emerging economies in high-tech leadership will be compelling and crucial for both groups. In the wake

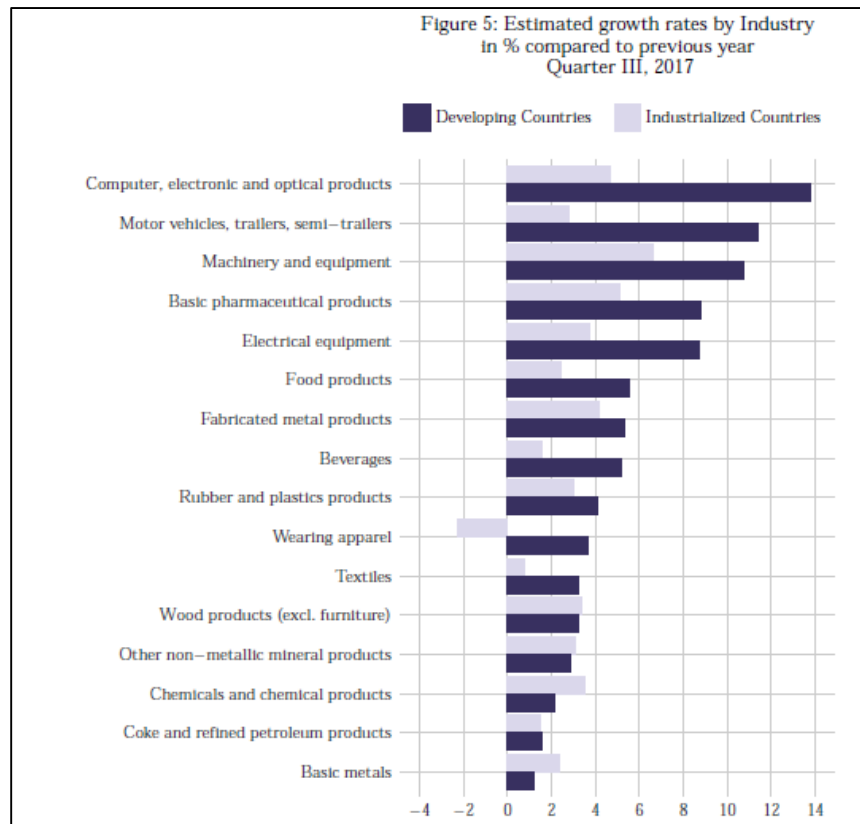
of the fourth industrial revolution, embracing emerging technologies brings global manufacturing production to a new level. The high growth rate in medium high and high technology industries observed in the third quarter of 2017 led to an increase in high value goods, indicating a high level of consumer confidence (Figure 4). UNIDO data largely support this pro-technology approach.

Medium high and high technology manufacturing industries have repeatedly held top positions when looking at year-by-year comparisons - these industries witnessed a 6.0 per cent growth rate, a record-breaking result in the last _ve years. When reviewing the individual top industries, the manufacturing of computers, electronics and optical products grew by 8.3 per cent, the production of machinery and equipment rose by 8.0 per cent, the manufacturing of pharmaceutical products by 6.7 per cent (which recorded a visibly accelerated growth rate compared to the results of the previous quarter), the production of electrical equipment by 6.1 per cent and the manufacturing of motor vehicles by 5.9 per cent. The production in all of the above- mentioned industries was dominated by developing and emerging industrial economies compared with industrialized economies (Figure 5).

As regards medium technology manufacturing industries, 2.3 per cent growth was registered worldwide in the third quarter of 2017. The global manufacturing of rubber and plastic products increased by 3.4 per cent in a year-by-year comparison, while the manufacturing of non-metallic mineral products recorded a growth rate of 3.0 per cent. The global manufacturing of basic metals rose at a moderate pace of 1.6 per cent.

In low technology manufacturing industries, overall global production rose by 3.3 per cent in the third quarter of 2017 compared to the same period of the previous year. The global manufacturing of fabricated metal products grew by 4.6 per cent, followed by the manufacturing of furniture with a 4.3 per cent increase. Relatively high growth rates were maintained worldwide in the production of basic consumer goods - the global manufacturing of food products rose by 3.8 per cent, beverages by 3.4 per cent and the global manufacturing of both textile and wearing apparel increased by slightly over 2.5 per cent. The growth rate of the manufacturing of paper products expanded by 2.4 per cent, while coke and refined petroleum products and printing remained below 2.0 per cent.

The growth rates for selected industries are presented below. Additional statistics on the growth rates in the third quarter of 2017 are available in the Statistical Tables.



(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

INDIAN MANUFACTURING SECTOR

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the ‘Make in India’ program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

Market Size

The Gross Value Added (GVA) at basic constant (2011-12) prices from the manufacturing sector in India grew 7.9 per cent year-on-year in 2016-17, as per the first revised estimates of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

Cumulative Foreign Direct Investment (FDI) in India’s manufacturing sector reached US\$ 72.31 billion during April 2000-September 2017. India has become one of the most attractive destinations for

investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- Mahindra and Mahindra is planning to start operating a fleet of electric cabs and supplying parts to Electric Vehicle (EV) manufacturers.
- Grasim Industries has received clearance for expansion of its plant at Vilayat. The expansion will entail an investment of Rs 2,560 crore (US\$ 396.8 million)
- Over 350 mobile charger factories are expected to be set up in India by 2025, on the back of the government's push to encourage production of battery chargers. Setting up of these factories is expected to lead to production of 1.46 billion chargers and generation of 0.8 million jobs.
- Government of India is planning to invite bids for setting up of 20 Gigawatts (GW) of solar power capacity with the objective of boosting domestic manufacturing of solar power equipment.
- JSW Energy has signed a memorandum of understanding (MoU) with the Government of Gujarat, for setting up an electric vehicle (EV) manufacturing unit in Gujarat at an estimated cost of Rs 4,000 crore (US\$ 608.88 million).
- With an aim to increase its presence in India, Denmark-based heating ventilation and air-conditioning (HVAC) giant, Danfoss, is planning to take its manufacturing localisation to 50 per cent as well as double its supplier base in India by 2020.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- In Union Budget 2018-19, the Government of India reduced the income tax rate to 25 per cent for all companies having a turnover of up to Rs 250 crore (US\$ 38.75 million).
- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Government of India increased export incentives available to labour intensive MSME sectors by 2 per cent.
- The Ministry of Electronics and Information Technology is in the process of formulation of a new electronics manufacturing policy. The aim of the new policy will be to create an ecosystem of manufacturing in the country, enable India to become a significant global player in some of these categories.
- Ministry of Home Affairs liberalised Arms Rules to boost 'Make in India' manufacturing policy of the government. The liberalisation of the policy is expected to encourage investment in the manufacturing of arms and ammunition and weapon systems and promote employment generation.
- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Government of India is in talks with stakeholders to further ease foreign direct investment (FDI) in defence under the automatic route to 51 per cent from the current 49 per cent, in order to give a boost to the Make in India initiative and to generate employment.
- The Ministry of Defence, Government of India, approved the "Strategic Partnership" model which will enable private companies to tie up with foreign players for manufacturing submarines, fighter jets, helicopters and armoured vehicles.

- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US\$ 1.5 billion).

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US\$ 0.0155 as on January 04, 2018

(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.org)

INDIAN PUMP INDUSTRY OVERVIEW

Pumps & Valves segment contributes significantly to the growth of Indian economy. They have proved highly critical in productivity of the core sectors of the economy. The Pumps & Valves sector has a net value addition ratio in manufacturing of over 20 per cent. India already exports Pumps & Valves worth over US\$ 1.55 billion, serving various engineering segments, to over 100 countries. The exports in this segment are growing at a healthy rate of around 10-12 per cent annually. Additionally the Indian market is already worth over Rs 5,000 crore (US\$ 780 million) in pumps & Rs 4,500 crore (US\$ 700 million) in valves. India is already selling & supporting niche scientific & engineering technologies to developed economies in areas such as in aerospace engineering, auto components, biotechnology etc.

Today India has attained near self-sufficiency in Pumps for Nuclear Power, complete self-sufficiency in captive power generation, pulp & papers, energy efficient pumps in utilities & in agriculture sector. Considerable manufacturing segment of this sector is focusing on catering latest application in Bio-Pharma field, such as of Infusion Pumps.

Given the fact that among 'machineries', pumps are said to be produced and used in largest numbers, second only to electric motors. The overall scenario in Indian economy also favours growth & development in Indian Pumps & Valves industry, thereby opening huge potential of international collaborations.

Key Strengths

- Net value addition ratio in manufacturing of over 20 per cent
- Exports to over 100 countries
- Domestic market worth over Rs 5,000 crore (US\$ 780 million) in pumps & Rs 4,500 crore (US\$ 700 million) in valves
- Complying with highest quality systems requirements – ISO 9000, ANSI, API or EUNO series

Growth Opportunities

- Investment demands from infrastructure, energy, manufacturing & real estate is expected to sustain in medium to long term. The Government support to boost economic development is also expected to provide an attractive avenue for the Pumps & Valves industry.
- Urbanisation is expected to cater 70 per cent of the India's US\$ 15 trillion projected GDP by 2030. This entails Pumps & Valves for urban construction such as residential and commercial utilities & buildings will witness sustained demand over considerable period of time.
- Investments in infrastructure that includes electricity, roads, ports, irrigation, water supply and
- Sanitation is alone targeted with US\$ 1 trillion investments by 2017. The private sector is encouraged to execute large projects on Public Private Partnership (PPP) basis.
- The Government of India is encouraging technology development & transfer to enable small scale sector enter into high-tech areas such as aerospace, defense & manufacturing etc with a view to enhance competitiveness and offer advanced technology solutions.
- The domestic utilities and agriculture sector is also expected to witness sustained demand for Pumps & Valves.
- Indian companies are increasingly looking for international partnerships for entering technology collaborations and foreign markets.
- Large number of small scale sector players has created price sensitive offerings as an alternative to costly solutions by large players

Brand India Engineering – Pumps & Valves

Brand India Engineering campaign launched by Ministry of Commerce & Industry, Government of India aims at creating true brand value in international markets for Indian engineering products & services. It is expected to catapult India's status in engineering capabilities, by highlighting India's competitiveness, credibility & service commitments in engineering sector. India Brand Equity Foundation (IBEF), a Trust established by the Department of Commerce and EEPIC India, an apex national body representing engineering industry, is steering the campaign in coordination with national associations & industry stakeholders in the Pumps & Valves sector. The Indian Pumps & Valves has created place of its own that is worth exemplification. This is what the Brand India engineering endeavours to promote.

Government Initiative

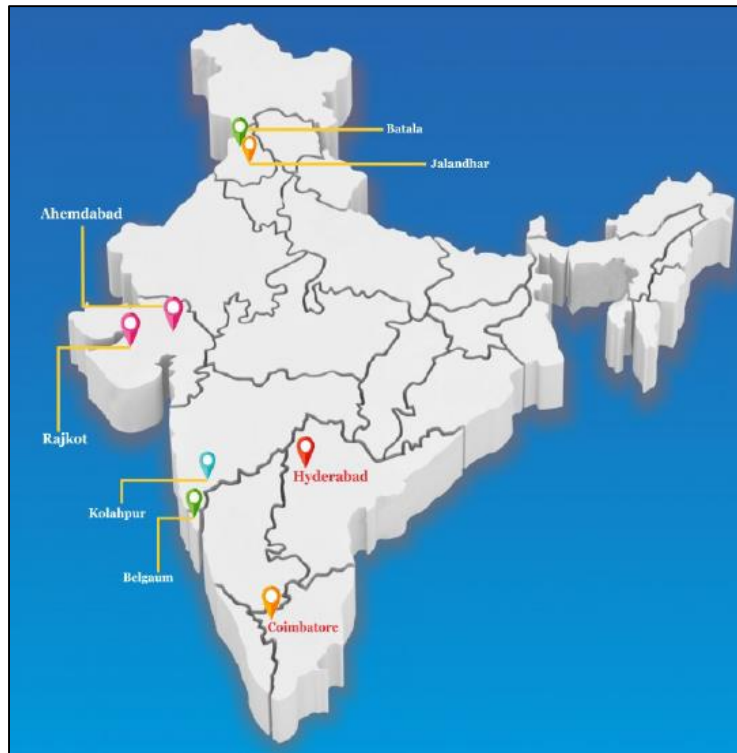
Government of India has envisaged installation of 1,00,000 solar water pumps for irrigation and drinking water purposes across the country. Indian Pumps & Valves sector has uniquely positioned itself to cater global quality solutions emerging from installations, upgradation or replacement needs.

Promoting and developing small scale sector is under priority focus of India's industrial policy. Small scale sectors forms the largest employment generator sector in India and earns the significant share in exports revenue in the country. The small scale sector is the backbone of Indian engineering sector. Indian small scale enterprises avail seamless benefits of technology upgradation and absorption through Government funded R&D collaborations like SiTarc, Coimbatore, SIEMA, CSIR, Ministry of Science & Technology etc.

Creating equitable development opportunities and promotion of International trade has been an integral embodiment & very foundation of India's cultural & socioeconomic system. Until the end of 16th century, India led the world in international trade & provided shelter to busiest trade routes. Assimilation of our traditional & universal approach of equitable opportunities & development for all has led India to become a leading example for emerging economies to emulate. The usage served by Pumps & Valves are deeply attached to the foundation of predominantly agricultural economy of India, and it is playing a critical role in building balanced all round development of the one of the largest emerging economies. Pumps &

Valves are one of the most successful equipment what India has to offer to forge a partnership focusing on all round & balanced development of various economic sectors

Industry Cluster



International Recognition

There are several globally well-accepted products from India. Like vertical execution multi-stage multi-outlet (MSMO) pumps, lowest life cycle cost (LLC) pumps and concrete volute (CV) pumps. Lowest life cycle pumps are in high international demand especially due to sustained energy efficiency over longer period and lowest pump maintenance cost. MSMO pumps are well suited for high rise urban development projects for saving valuable space. Concrete Volute products are very good & cost effective in handling large volumes of water. Other important products offered are latest solar centrifugal pumps & solar power conditioning units that has proved its potential in saving millions of units of electricity annually. Specialised valves for handling powders and abrasive fluids and highly energy efficient actuators.

Energy efficient systems and Intelligent Process Equipment Systems are being integrated in such manner so as to meet international demands and retain cost effectiveness for domestic industrial and infrastructural goals. Kirloskar Brothers Ltd, a global renowned brand, created a world record in assembling pumps in 17.25 seconds at the shop-floor.

(Source: Pump Industry in India – Overview, Market, Manufacturers, Opportunities – www.indianpumpsandvalves.com)

PUMP INDUSTRY IN INDIA- KEY HIGHLIGHTS

The Indian Pump industry is growing at an annual CAGR of ~10%– which is higher than the international CAGR average of ~6% –due to the surge in infrastructure development, growth in agriculture and other water intensive industries. The Indian Pump industry offers among the highest net value additions in the

engineering industry – of over 20%. Moreover, the domestic market for Indian Pumps is growing at a healthy rate of 16-18% per annum.

India today:

- Exports pumps to 100+ countries
- Is totally self-sufficient in captive power generation pulp and papers energy efficient pumps in utilities and agriculture
- Is almost self-sufficient in pumps for nuclear power

A number of Indian Pump manufacturers are focusing on Bio-Pharma applications, such Infusion Pumps ,among other things.

Indian Pump Industry – Market Size

- The Indian pump market was worth over US\$ 1.2 billion in 2014 (i.e. over INR 8,000crore)
- India has over 800pump manufacturers
- India manufactures more than 4.5millionpumps every year
- Among ‘machineries’, Indian pumps are produced and used in largest numbers after electric motors
- The Indian Pump industry offers excellent growth opportunities for international collaborations
- Indian Pumps are exported to more than 100 countries

Indian Pumps – Market Segmentation by Share & Value

Sector	Market Share	Value
Agriculture	27%	INR 2295 crore
Building Services	19%	INR 1615 crore
Water & Wastewater Management	17%	INR 1445 crore
Power Generation	12%	INR 1020 crore
Oil & Gas	8%	INR 680 crore
Metal & Mining	4%	INR 340 crore
Others	13%	INR 1105 crore

Agriculture and Building Services comprise 46% of the market by value (INR 3910 crore). This segment of the Indian pump market is highly *fragmented* as well as *competitive* – with a large number of small and medium enterprises (SMEs) competing to increase their market share. The biggest markets for agricultural pump sets are the central Indian states of Madhya Pradesh, Maharashtra, Tamil Nadu, Karnataka and Andhra Pradesh. The Industrial Sector comprises the remaining 54% of the market by value (INR 4590 crore). This segment of the India pump market consists of sectors like Water & Sewage Treatment, Power Generation, Oil & Gas, Metals & Mining and Others. Being *technologically intensive*, it is a relatively hard sector for small and medium enterprises (SMEs) to penetrate

Indian Pumps – Key Strengths: Why Make in India?

- India offers among the highest net value additions in the world(20%-plus)
- A ready export market in 100-plus countries
- 16% of India’s pump manufacturing capacity is geared for exports (and growing)
- Healthy domestic market for pumps in India – US\$ 1.2 billion-plus (INR 8,500-plus crore)

- Above-average growth– projected at a CAGR of 10% from FY 2014 to 2017
- Technological capabilities to meet the highest quality standards – such as ISO 9000, ANSI, API or EUNO series
- Proactive government policies to stimulate agricultural growth (and demand for pumps), through: subsidized electricity and exemptions on use of solar water pumps

Such policies have inspired farmers to install independent irrigation facilities to ensure consistent availability of water. As a result of these schemes, the demand for water pumps has increased significantly.

- Rapid growth of the Indian chemical market has stimulated the demand for high quality industrial pumps
- The growing demand for lower cost of operation and zero downtime pumps gives India a competitive advantage to offset the labour cost advantage offered by low-cost/low-quality manufacturers in some Asian countries

Indian Pumps – Growth Opportunities

70% of India's US\$ 15 trillion GDP projected for 2030 will have to be supported by urban infrastructure – and will require massive doses of investment in urban infrastructure. The other growth drivers for Indian pumps include *population growth, higher water-intensive food consumption, industrialisation, growing public awareness about drinking water quality, decreasing water quality, lower water levels, and environmental pressure from government bodies on wastewater discharge*, thereby amplifying the demand many times over for the recycle and reuse of water.

Sustained medium to long term demand from

Infrastructure, Energy, Roads, Ports, Irrigation, Agriculture, Manufacturing, Water Supply, Sanitation – which alone will require a USD 1 trillion investment by 2017

The Government of India is actively encouraging technology development and transfer to enable the small scale sector (i.e. small pump manufacturers) to enter high-tech areas such as aerospace and defence. Indian companies are increasingly looking for international partnerships via technology collaborations to enter foreign markets. Many small scale pump manufacturers have created price sensitive offerings as viable alternatives to costly pumps manufactured by large pump manufacturers.

The Indian chemical market– growing at a rapid pace – is fuelling the demand for industrial pumps. Government regulations and energy crisis are motivating water pump manufacturers to develop energy efficient products. The Government of India has introduced several policies to promote agricultural growth in the country. These policies range from subsidized electricity to exemptions on use of solar water pumps. The announcement of such policies has inspired farmers to install independent irrigation facilities to ensure consistent availability of water. Consequently, this is pushing the demand for water pumps in India.

Government Initiatives to Promote the Indian Pump Industry

The Government of India envisages the installation of 1,00,000 solar water pumps for irrigation and drinking water purposes across the country. India's industrial policy actively supports the small scale sector – which is the backbone of the Indian engineering sector and contributes significantly to India's engineering exports – via Government funded R&D collaborations through SiTarc, Coimbatore, SIEMA, CSIR, Ministry of Science & Technology, etc.

PCPIR (Petroleum, Chemicals and Petrochemicals Investment Region), an initiative taken by Government of India, is specifically designed to encourage foreign investment in petroleum, chemical and

petrochemicals sector. This is expected to accelerate economic growth and positively impact the demand for water pumps in India.

Quality Certifications for Indian Pumps

The Indian Pump industry complies with highest quality standards – such as ISO 9000, ANSI, API or EUNO series. For instance:

- The indigenously manufactured *Fuel Booster Turbo Pump* was used in ISRO’s Cryogenic Engine
- India operates *some of the world’s best performing space rockets* ‘PSLVs’ on Fuel Booster Turbo Pump technologies
- Indian Pumps are extensively used in Indian refineries, including the Reliance Refinery – which ranks among the top 5% in the Energy Efficient Index of Shell Benchmarks

International Recognition for Indian Pumps

Indian Pumps are globally accepted for their quality.

- Lowest Life Cycle cost (LLC) Pumps, which are highly demanded globally on account of sustained energy efficiency and lower maintenance costs.
- Vertical Execution Multi-Stage Multi-Outlet (MSMO) Pumps, which are ideally suited for high rise urban development projects because they require less space
- Concrete Volute (CV) Pumps, which are extremely reliable and cost effective, and ideal for handling large volumes of water

Some of the other important products manufactured in India include solar centrifugal pumps and solar power conditioning units– which have helped save millions of units of electricity annually. Energy Efficient Systems and Intelligent Process Equipment Systems are being integrated to meet international demands and retain cost effectiveness for domestic industrial and infrastructural goals. *Kirloskar Brothers Ltd.*, a globally renowned Indian pump brand, recently created a record in its all-women Coimbatore plant by successfully reducing its “assembly time from 60 seconds to a record breaking 20 seconds; thereby increasing the plant production to 34 000 pumps per line per month”

(Source: Pump Industry in India – Overview, Market, Manufacturers, Opportunities – www.indianpumpsandvalves.com)

OUR BUSINESS

In this section, unless otherwise stated, references to “Company” or to “we”, “us” and “our” refers to Latteys Industries Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

OVERVIEW

Our Company was incorporated under the provisions of Companies Act, 1956 as ‘Latteys Pumps Industries Private Limited’ in Gujarat vide Certificate of Incorporation dated April 02, 2013, issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli, bearing Corporate Identification Number U29120GJ2013PTC074281.

On April 08, 2013 Our Company acquired the business of proprietorship concern of our promoter, Mr. Kapoor Chand Garg viz. M/s Latteys Pumps Industries through Memorandum of Understanding. Further, the name of the Company was changed to ‘Latteys Industries Private Limited’ upon the application made by the Company to change its name. A fresh Certificate of Incorporation dated July 11, 2017 was issued by Registrar of Companies, Gujarat, Ahmedabad for effecting the change in the name of the Company.

Subsequently, our Company was converted into a public limited company pursuant to Shareholders’ resolution passed at Extra-ordinary General Meeting of our Company held on July 14, 2017 and the name of our Company was changed to Latteys Industries Limited vide a fresh Certificate of Incorporation dated August 21, 2017 issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U29120GJ2013PLC074281.

Our Company is in the business of manufacturing of pumping solutions for homes, agriculture & industrial sectors. Pumps includes Submersible, Self-Priming, Centrifugal, Shallow and Horizontal Pumps. Our Company manufactures more than 700 models of pumps as its portfolio. These pumps are widely used by Domestic and Industrial sectors. The pumps are manufactured and sold wholly in India. We pioneer in manufacturing Submersible pumps. M/s. Latteys Pumps Industries, a proprietorship concern operated by the sole proprietor Kapoor Chand Garg commenced its manufacturing in the year 2004 in Chatraal, Gujarat and thereafter moved to a strategic location of GIDC Naroda, Gujarat with an area of 5,718 sq. meters in the year 2011.. The Company currently has an installed production capacity of 1,59,500 pumps p.a. The manufacturing facilities are equipped with requisite machineries to keep a constant check on quality. The Company is an ISO 9001:2015 and IS 14220:1994 certified company certifying the quality of the product our Company manufactures.

Our Company manufactures pumps of various sizes, structures, technicalities which forms the deciding factor for the uses and pricing of the product. We require raw materials like EC Grade, winding wire and cable, stainless steel pipe, electrical sheet stamping, etc. which are procured from various industries from Domestic market. We have a dedicated team of engineers which continuously looks for improving the design, purpose and quality of the pumps we manufacture. Our customers are mostly dealers and direct users. Our relationship with our wide reach of dealers and esteemed customer base are key factors for our success in the industry.

Our Company is promoted and managed by Mr. Kapoor Chand Garg and Mr. Pawan Garg. Our Promoters are actively and fully involved in the day-to-day affairs of our Company’s operations. They have more than a decade of experience in the pumps industry. Under the leadership of the Promoters, our Company has seen consistent growth both in operations and financial performance.

Our presence in the business for more than a decade have created a brand image which is also the effort of the industry experience we have, our brand is well received by the market and we shall continue to strengthen our brand by supplying qualitative products at competitive prices in coming years.

Our Company's registered office and manufacturing facilities are as below:

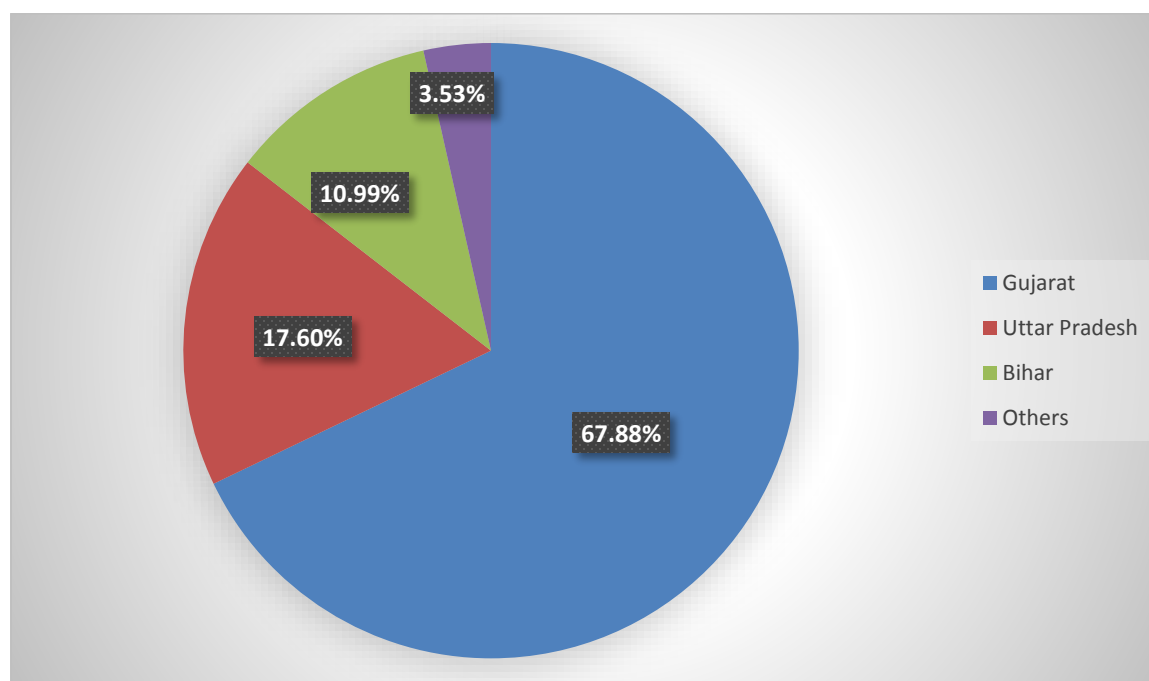
Registered Office and Manufacturing facility: Plot No. 16, Phase 1 / 2, GIDC Estate, Naroda, Ahmedabad, Gujarat – 382330, India

Apart from these, our Company has branch offices in 9 major locations across India.

Financial Snapshot of our company as per Restated Standalone Financial Statements is as under:

Particulars	For the period ended 31 st Dec. 2017	FY 2016-17	FY 2015-16	FY 2014-15
Revenue	2,288.87	3,577.44	2,605.11	2,153.37
EBITDA	185.17	243.07	158.02	119.56
Profit After Tax	43.44	55.61	31.09	13.97

Geographical Sales for the year ended 31st March, 2017



(Rs. in lakhs)

Sr. No.	Name of State/Country	FY 2014-15		FY 2015-16		FY 2016-17	
		Amount	% of Sales	Amount	% of Sales	Amount	% of Sales
1	Gujarat	1,552.91	72.15%	1,436.79	55.19%	2,422.99	67.88%
2	Bihar	199.78	9.28%	367.58	14.12%	392.12	10.99%
3	Uttar Pradesh	399.71	18.57%	692.95	26.62%	628.39	17.60%
4	Delhi	-	-	6.89	0.26%	10.66	0.30%
5	Rajasthan	-	-	68.55	2.63%	8.80	0.25%

6	Odisha	-	-	10.08	0.39%	3.06	0.09%
7	Jharkhand	-	-	20.50	0.79%	25.55	0.72%
8	Kerala	-	-	-	-	14.25	0.40%
9	UAE(Dubai)*	-	-	-	-	63.73	1.78%
Total		2,152.40	100.00%	2,603.33	100.00%	3,569.56	100.00%

*Since, the incorporation of the Company, it had made exports amounting to Rs. 63.73 lakhs only in FY 2016-17 and no further exports has been made till date or in any other financial year except FY 2016-17.

Top 5 customers for period ended 31st Decemeber, 2017

Sr. No.	Customer Name	Amount (Rs. in lakhs)	Percentage to Total Sales
1.	V-Guard Industries Ltd	1238.78	53.27%
2.	Ramji Muralilal Tube Company	75.80	3.26%
3.	M/s. Balaji Machinery Store	43.11	1.85%
4.	Shree Om Enterprises	41.32	1.78%
5.	Abhishk Engineering	36.86	1.59%
Total		1435.86	61.75%

Top 5 customers for F.Y. 2016-17

Sr. No.	Customer Name	Amount (in Rs.)	Percentage to Total Sales
1.	V-Guard Industries Ltd	25,00,53,653	70.05%
2.	Bihar Traders	1,13,37,650	3.18%
3.	Ramji Muralilal Tube Company	66,39,333	1.86%
4.	Al Ravaan General Trading FZC	63,73,432	1.79%
5.	Ajay Hardware Stores	62,11,170	1.74%
Total		28,06,15,238	78.62%

% Sales in Domestic/Industrial/Agricultural Sector for last 3 years

Sr. No.	Name of Sector	FY 2014-15	FY 2015-16	FY 2016-17
1.	Domestic	86.60%	89.01%	88.05%
2.	Agricultural	8.33%	8.33%	6.33%
3.	Industrial	0.93%	0.93%	0.70%
Total		95.86%	98.27%	95.08%

PLANT AND MACHINERY

The major plant and machinery of our Company is as follows:-


S.N.	Description (including make, model etc)	Owned/Rented
1.	PUMP TESTING PANEL FOR SELF PRIMING	Owned
2.	MODIFICATION OF PUMP ANALYZER	Owned
3.	HYDRAULIC PRESS MACHINE CAPACITY 150 TON	Owned




S.N.	Description (including make, model etc)	Owned/Rented
4.	AIR COMPRESSOR CT-10 WITH 500 LTRS.TANK WITH 10HP MOTOR	Owned
5.	LINX 7900 MIDI 1240	Owned
6.	SURFACE GRINDER 9" X 18" BALL TYPE (WITH COOLANT SYSTEMS)	Owned
7.	SPA MOTORIZED DE-CAILER	Owned
8.	UT 43 LU2358 STAPLER 16WC	Owned
9.	HYDRAULIC PRESS DEEP DRAWING 200 TON	Owned
10.	500 MM HYDRAULIC CYLINDRICAL GRINDING MACHINE MODEL : PMT/500/150/LH	Owned
11.	PNEUMATIC STRAPPING MST 19	Owned
12.	KRITON 30KVA PRESS TYPE SPOT WELDING MACHINE	Owned
13.	BOWL WELDING WITH LIMIT SWITCHES MACHINE	Owned
14.	WELDING MACHINE INTIG-400 PULSE	Owned
15.	INTIG-400 PULSE WELDING MACHINE	Owned
16.	4.1/2' FEET MIDIMUM DUTY LATHE MACHINE	Owned
17.	TSC TTP P 200(USB + IEEE + RS232)BAERCODE PRINER & TSC TTP 244 PLUS/PRO PRINT HEAD	Owned
18.	82.5KVA ELEC GEN SET WITH CANOPY-1	Owned
19.	BOX STRAPPING MACHINE MODEL NO S-11SF	Owned
20.	L110*6002211 LX20T L3 CNC LATHE-FANUC MACHINE	Owned
21.	MILLING MACHINE (NO.2 WITH ALL ACCESSORIES)	Owned
22.	INDUSTRIAL 2.0HP WATER (CIRCUCATION PAINT BOTH	Owned
23.	MICROMETER & VARNIER CALIPER-DIGITAL TYPE	Owned
24.	VARNIER CALIPER-DIGITAL TYPE	Owned
25.	VARNIER CALIPER-DIGITAL TYPE	Owned
26.	WELDING POSITONER HB-50	Owned
27.	DRILL MACHINE 3/4" X 4" PILLAR WITH ALL ACCESSORIES	Owned
28.	V4 MOTOR HYDRO TEST WITH TANK MACHINE	Owned
29.	HYDRAULI POWER PRESS "H" TYPE FRAME 5 TON PRESSING CAPACITY	Owned
30.	20 KW INDUCTION ROTOR BRAZING MACHINE	Owned
31.	AIR DRYER FOR 100CFM	Owned
32.	MOTOROLA LS 1203 LASER WITH USB CABLE BARCODE SCANNER	Owned
33.	TIG -400 INVERTERESD BASED TIG WELDING MACHINE	Owned
34.	300SS-3PM (300AMP THREE PKASE OIL COOLED MOTORISED TRANSFORMER	Owned
35.	HYDRAULIC PRESS-5 TON & HYDRAULIC PRESS-10 TON MACHIN	Owned
36.	HYDRAULIC CYLINDER & HYDRAULIC POWER PACK	Owned
37.	HYDRAULIC CYLINDER & HYDRAULIC DC POWER PACK	Owned
38.	SKI 20MM CAP 4" PILLAR DRILL MACHINE	Owned
39.	STAMPING PRESS MACHINE/POWER PRESS MACHINE	Owned
40.	MAGNETIC COOLANT FILTER	Owned
41.	TESTING FIXTURE -SUITABLE FOR TESTING PUMPS	Owned

S.N.	Description (including make, model etc)	Owned/Rented
42.	HYDRAULIC "4" PILLAR POWER PRESS MACHINE 700X700 TABLE SIZE CONTROL PANEL WITH HYDRAULIC PACK UNIT & HYDRAULIC "4" PILLAR POWER PRESS MACHINE TIE ROAD TYPE WITH HYDRAULIC POWER UNIT	Owned
43.	ACE CNC LATHE MODEL : SIMPLE TURN 5075	Owned
44.	CFAM-1500 D.E CENTRING & FACING MACHINE	Owned
45.	HYDRAULIC CENTERLESS OD BURNISHING MACHINE MODEL(EM 0640)	Owned
46.	HI LIFE CNC CYLINDRICAL GRINDING MACHINE MODEL SWIFT E SWIFT 800	Owned
47.	STAMP IT BASIC MARKING MACHINE	Owned
48.	SINGLE PHASE PUMP TESTING PANEL WITH DIGITAL POWER PANEL (MODEL - PP34-80A)	Owned
49.	COMPUTERIZED THREE PHASE PUMP TESTING PANEL WITH DIGITAL POWER PANEL (MODEL : PP34-300A)	Owned
50.	HYDRAULIC POWER PRESS MACHIN-80 TO 100 TONE CAPACITY	Owned
51.	HYDRAULIC POWER PRESS "C" TYPE HYDRAULIC POWER PRESS MACHIN 0 TO 5 TONE CAPACITY	Owned
52.	HYDRAULIC POWER PRESS "C" TYPE HYDRAULIC POWER PRESS MACHINE 5 TO 10 TONE CAPACITY	Owned
53.	VERTICAK BALANCING MACHINE 5 KG & MODEL U 337 10" ROATARY MILLING TABLE	Owned
54.	OLD USED CYLINDRICAL GRINDING MACHINE	Owned
55.	SELF CENTERING VICE 100 MM	Owned
56.	ACE CNC LATHE MODEL : SIMPLE TURN 50125	Owned
57.	HYDRAULIC "H" TYPE FRAME PRESS MACHINE 0 TO 5 TON PRESSING CAPACITY	Owned
58.	JS-1 IMC SEMI AUTOMATIC BOX STRAPPING MACHIN	Owned
59.	CONSUL DIGITAL POWER CONDITIONER MACHINE MODEL: CDPO VX3 PH	Owned
60.	HYDRAULIC CYLINDER FOR HYDRAULIC CYLINDERICAL GRINDING MACHIN	Owned
61.	HYDRAULIC PRESSURE GAUGE NEW FITTING ON WORK WELLMAKE MACHINE	
62.	MODEL-DZ, WIGHT MACHINE 1000 KG & MODEL-IDP, WIGHT MACHINE 20 KG	Owned
63.	7" METEL CUTTING BANDSAW MACHINE	Owned
64.	TESTING FIXTURE -SELF PRIMING 1" PUMP	Owned
65.	AIR COMPRESSOR IA 272 RECEIVER MOUNTED WITH ELECTRICAL	Owned
66.	TRANSFORMER TYPE 40 AMP. 440 V 3PH OIL COULD TYPE WITHOUT OIL	Owned
67.	DIGITAL PRESSURE METER WITH SENSOR	Owned
68.	FEET HEAVY DUTY LATHE MACHINE (WIDTH OF BED 13" CENTER 8.5" SPINDLE BORE 52MM)	Owned
69.	ACE CNC LATHE MODEL: SUPER JOBBER	Owned

S.N.	Description (including make, model etc)	Owned/Rented
70.	ACE CNC LATHE MODEL : SUPER JOBBER 500	Owned
71.	CONSUL DIGITAL POWER CONDITIONER MACHINE MODEL: CDPC VXX3 PH	Owned
72.	HYDRAULIC HAND OPERATED "H" TYPE STEP TYPE MACHINE 01 TO 05 TON CAPACITY 200MM	Owned
73.	HYDRAULIC HAND OPERATED "H" TYPE STEP TYPE MACHINE 01 TO 20 TON CAPACITY 300MM	Owned
74.	3/4 PILLAR TYPE DRILING MACHINE	Owned
75.	HORIZONTAL DYNAMIC BALANCING MACHINE	Owned
76.	REVERSE OSMOSIS PLANT 100 LTR	Owned

OUR MAJOR PRODUCTS

Sr.No.	Product	Image	Description
1.	Submersible Pumps		<p>A submersible pump is vertical multistage centrifugal pump closely coupled to a water/oil filled and cooled vertical ac single/three phase induction motor. As this unit is completely submerged in water, cavitation is totally avoided.</p>
2.	Self-Priming Pumps		<p>A "self-priming" centrifugal pump overcomes the problem of air binding by mixing air with water to create a fluid with pumping properties much like those of regular water. The pump then gets rid of the air and pumps water only, just like a standard centrifugal pump. This type of pump differs from a standard centrifugal pump in that it has a water reservoir built into the unit which enables it to get rid of air from pump and suction line by recirculating water within the pump on priming cycle.</p>

<p>3.</p>	<p>Centrifugal Monoblock Pumpsets</p>		<p>Centrifugal pumps are used to transfer water by the conversion of rotational kinetic energy to the hydrodynamic energy of the water flow. The fluid enters the pump impeller along or near to the rotating axis and is accelerated by the impeller, flowing radially outward into a diffuser or <u>volute</u> chamber (casing), where kinetic energy is converted into pressure energy from where it exits.</p>
<p>4.</p>	<p>Shallow Well Pumps</p>		<p>The most common pump for a shallow well is a jet pump. Jet pumps are mounted above the well, either in the home or in a well house, and draw the water up from the well through suction. Because suction is involved, atmospheric pressure is what's really doing the work. While air pressure varies with elevation, it's common to limit the depth of a jet-pump-operated shallow well to about 25 ft.</p>
<p>5.</p>	<p>Horizontal Open Well submersible Pumps</p>		<p>Horizontal open well submersible pumps submerges in water permanently, so there is no need of separate cabins. Priming is also not required. They work on low voltage, are noiseless and vibration free while in operation.</p>

6.	Pressure Booster Pumps		<p>Pressure Booster Pump is multi stage horizontal Monoblock Pumpsets. A water pressure booster pump can increase the water pressure coming out. A water pressure booster pump works with an expansion tank. This is a closed tank. It has a bladder and is pressurized. The pump pulls water into the tank on the side of the bladder. This compresses the air in the bladder and the water becomes more pressurized.</p>
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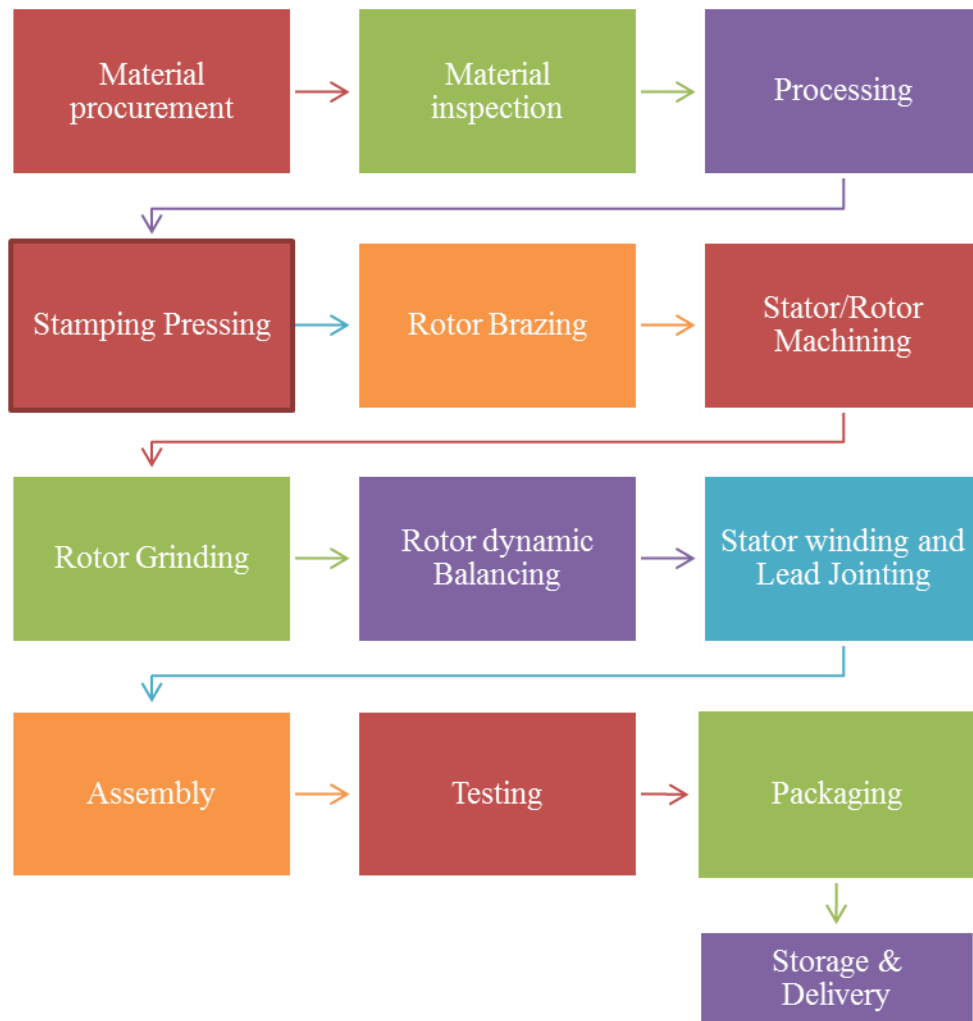
Product wise sales for last 3 years

S r. N o.	Nam of Products	FY_2014-15			FY_2015-16			FY_2016-17		
		Amount (Rs. in lakhs)	Quantity (in no.s)	% of sale	Amount (Rs. in lakhs)	Quantity (in no.s)	% of Sale	Amount (Rs. in lakhs)	Quantity (in no.s)	% of sale
1.	Submersible Pumps	1,655.58	24,547	76.92%	1,761.91	26,343	67.68%	2,618.62	43,146	73.36%
2.	Openwell Pumpsets	171.42	4,814	7.96%	292.49	8,542	11.24%	341.05	8,919	9.55%
3.	Self-priming Pumpsets	193.10	8,200	8.97%	333.37	13,585	12.80%	264.35	10,871	7.41%
4.	Centrifugal Pumpsets	42.51	552	1.98%	170.37	2,413	6.54%	147.70	2,229	4.14%
5.	Other Sale (Scrap)	89.79	-	4.17%	45.19	-	1.74%	197.84	-	5.54%
Total		2,152.40	38,113	100.00%	2,603.33	50,883	100.00%	3,569.56	65,165	100.00%

RAW MATERIALS

Major raw material of the Company used for manufacturing of pumps are EC grade copper winding wire and cable, stainless steel pipe, stainless steel round bar, electrical sheet stamping, CI/SS castings, Impellers, etc. We meet our raw material requirements by procuring such materials from established companies in domestic market.

OUR PRODUCTION PROCESS



The manufacturing of pumps requires numerous process to obtain a finished product. The major steps include:

1. Material procurement:

We intend to maintain low-cum-sufficient level of inventory which will fulfil our production on timely manner. To achieve this, we plan and forecast our productions and accordingly the order for raw material is placed. Major raw material used in our production process EC grade copper winding wire and cable, stainless steel pipe, stainless steel round bar, electrical sheet stamping, CI/SS castings, Impellers, Pump Parts etc. Our production team and sales team are in constant sync which helps us to order optimal level of raw material. Further, our technical team ensures that the raw material we procure are meeting the quality standards. Once the raw materials are procured from nearby suppliers, it is stores in our manufacturing facility having adequate storage capacity.

2. Material Inspection:

A materials-inspection prior to processing aims to identify the characteristics accurately. The inspection team inspects materials thoroughly according to quality standards, with the result of which, if necessary, all the technicians concerned review whether to accept the material or not.

3. Processing:

Once the raw material is procured and tested for quality, they are further processed for manufacturing finished product. It is taken through few processes like Pipe Cutting, Machining, Grinding, Burnishing, Dynamic Balancing of rotor and Impeller. During processing inspection is carried out at every stage of production.

4. Stamp Pressing:

Stator stampings are pressed on hydraulic press at required constant pressure in the pipe and then it is fixed at its position by welding process in pressed condition. Rotor stampings are pressed on the rotor shaft at required constant pressure and riveted at pressed condition.

5. Rotor Brazing:

Rotor brazing is a specialized brazing procedure. The work is done in the confinement of a tent equipped with a vacuum system, providing a dust free environment. This system protects the surrounding area and equipment from any contamination. It also allows work to continue in adjacent areas. We braze in a fully controlled environment.

6. Rotor Dynamic Balancing:

Rotor balancing reduces unbalance enough such that it can operate properly once installed on site. Reducing unbalance reduces vibration and increases efficiency and life of the rotor and bearings. Additionally, during production and repair, it is necessary to balance rotors before full assembly.

7. Assembly:

Once the parts and raw materials go through these processes, like, Vacuum Impregnation, Hydraulic Pressing, Rotor Brazing, Grinding, Dynamic Balancing, Winding, then the pumps are taken for Pumpsets Fitting, i.e. Assembly. All parts are assembled together to give the final structure of the pumps which is then ready for packaging.

8. Testing

The Pumpsets assembled are subjected to stringent testing as per Bureau of Indian Standards (BIS) norms and the product is accepted which has satisfied the norms.

9. Final Inspection:

The inspection team of the quality control department inspects the final tested products and after thorough checking allows the product for final packing.

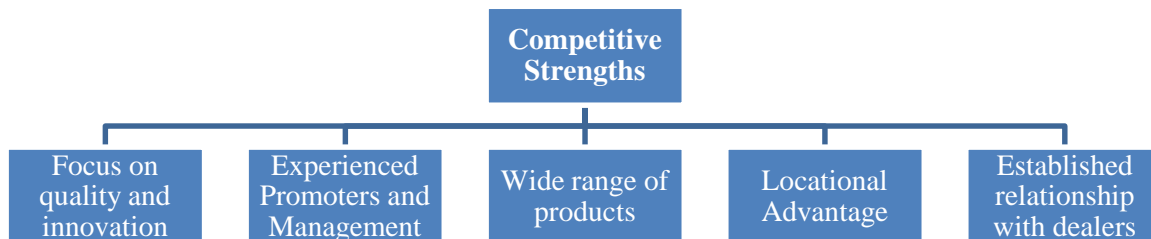
10. Packaging:

Once the product meets all the required quality criteria, they are packed into baggage like container, cartoons, and boxes as per the requirement of the customer. Packaging is done keeping in mind the safety of the product.

11. Storage & Delivery:

After proper packaging as per the customer's order, they are either directly loaded into trucks for shipment or they are stored in the warehouse inside the premises itself. Necessary care is taken to avoid any defect in the product.

OUR COMPETITIVE STRENGTHS



6. Focus on quality and innovation

We believe our strength and success factor has been our constant focus on quality and innovation. To keep sailing on it, we stress on and constantly strive to improve the quality of our products. We have a R&D team which constantly works for product innovation. Our technically qualified team ensures that we procure raw materials only from quality suppliers. To ensure high quality production, we test samples from every lot of raw material in our laboratory or National Accreditation for Testing and Calibration Laboratories (NABL) approved material testing laboratory and only after meeting the quality criteria, it is further used for production. Further, each of our finished products is checked with respect to quality, and only after meeting the quality standards, products are considered for packaging.

7. Experienced Promoters and Management

We have an experienced management team including our promoters who have a combined experience of more than 2 decade in pumps and motor industry. Our Company is led by our Promoters, Mr. Kapoor Chand Garg and Mr. Pawan Garg who has strong experience and knowledge of the industry. Their vision and values have been the foundation of our growth story. The business which started with small manufacturing capacity is now manufacturing company with an installed capacity of 1,59,500 pumps per annum. We understand quality forms an important in pumps and motor industry and hence we have established an experienced technical team to ensure quality output. It is through the constant vision and experience of our management team including the promoters, we have been able to build a sustainable business model and created a strong market reach. We have employed people in different areas of work who have required technical competence and qualifications. We strongly believe that the success of our organization lies in the efforts of our human resources.

8. Wide range of products

Our Company manufactures pumps of various types which caters to the needs of both domestic, agricultural and industrial purposes. Products differs in terms of sizes, horsepower, structures, shapes, etc. Our Company manufactures more than 700 different types of models under its range of products. With the range of products we manufacture, it helps our Company to tap varied customers and markets.

9. Locational Advantage

Reducing cost of production is which our Company has been focusing on since its inception. Procuring raw material at a competitive price effects our financial position quite substantially. We procure numerous raw materials which are used in our manufacturing pumps of different models and they are procured from domestic players having their facility/warehouses in close proximity to our

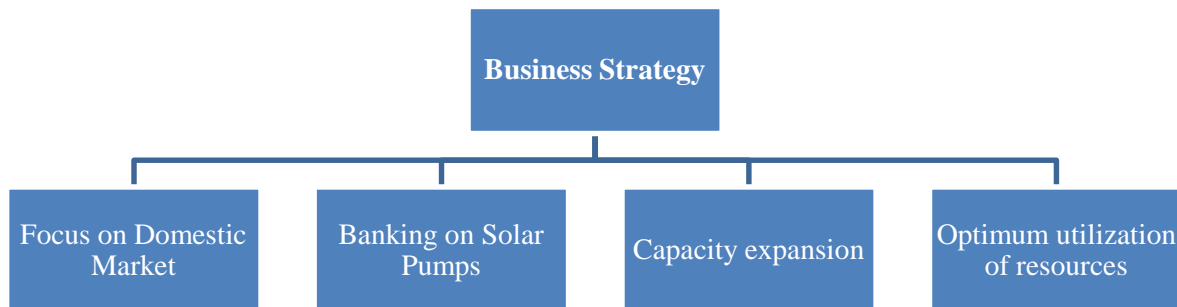
manufacturing facility hence reducing the cost of transportation substantially without compromising on the quality of the raw material procured. It also ensures us a continuous supply of raw materials.

10. Established relationship with clients

Our company generates its revenue from catering domestic customers, we sell our products through dealers having more than 500 dealers across India. Our relationships with our dealers have been a driving force of growth in our business from whom we receive repeated orders in frequent intervals. The repetition of orders is also owing to the quality of the product we provide. Our promoter visits regularly to them to understand their needs, concerns and address them personally. We understand the industry is highly competitive and maintaining healthy relationship with them will help us to beat the competition.

BUSINESS STRATEGY

Our vision is to grow in existing and new markets by providing quality products. We intend to capitalize on the growing demand for our products in India. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business.



5. Focus on Domestic Sales

Our Company has strong presence in Domestic market with majority of its revenue coming from domestic buyers. We also have a network of more than 500 dealers across India which marks our strong presence. Due to the extensive reach of our dealership network, we are able to increase our revenue by selling more number of pumps every year. Further, we plan to increase our dealership network in few other states like, Gujarat, Rajasthan and Madhya Pradesh making our brand even more popular.

6. Banking on Solar pumps

Our Company acknowledges the fact that solar pumps are changing the industry in a fast pace and to capitalise on the same we plan to cater to the solar pumps also. Markets for solar pumps include Rajasthan, Chhattisgarh, Gujarat and Haryana. We plan to actively participate in Energy Efficient Services Ltd (EESL) orders which signify high growth potential going forward. Focussing on solar pumps would lead to an organic increase in our business operations.

7. Capacity expansion

The Company has been witnessing growth in number of pumps being sold every year and we believe this trend is to continue in coming years and to capitalise on the same we intend to increase our manufacturing capacity gradually. For this, we will look for buying additional land and also to set up new line for manufacturing within our current facility.

8. Optimum utilization of resources

Our Company constantly endeavors to improve our production process, skill up-gradation of workers, using latest technology in machineries to optimize the utilization of resources. We regularly analyse our existing raw material procurement and manufacturing processes to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use. For this we have implemented ERP in our organization, which will help us better manage our resources.

SWOT Analysis

Strengths:

1. Diversified product portfolio – The manufacturing facility of our Company is located at Naroda GIDC, Gujarat which manufactures product which caters to the customers of Domestic, Industrial and Agricultural sector. With more than 700 models in our basket, we have the base to capitalise on varied demand from our customers.

2. Marketing and Distribution network – We supply our products through dealers which are spread across the country. These dealers sell our products to the end users and bring in repetitive orders which ensures continuous business to our company. This industry being a highly competitive industry requires strong customer base to grow and stay ahead. Our company has focussed on marketing with state government and public sector enterprises from which orders can be received in bulk quantity.

3. Experienced management – Our promoters are in the pumps industry for more than 2 decades. Our technical team is led by qualified people who has the relevant technical knowledge. Their rich knowledge and experience gives our Company a major benefit in devising and implementing the perfect strategy to stand above the competition.

Weakness:

1. Working capital intensive business – Our Company requires intense amount of working capital to operate its business. Since we extend credit to our customers/dealers, our recoverability takes times and causes crunch on working capital, which becomes a restricting factor in taking certain steps which are beneficial to the Company.

2. Limited geographic presence – Our Company is present only in Domestic market mostly in certain states of Western India. Limited geographic presence of our company restricts us to cater to other markets and customers. However, our Company is intending to expand into other geographic regions both in India and Outside India to Middle East.

Opportunities:

1. Large market size – Global pump market size is expected to be around US\$ 50 billion and Indian market size is expected to be around Rs. 10,000 crores. Out of the same, agriculture and building services comprise the major portion in which our presence is stronger. This presents a large market size for our Company to cater and increase its business substantially.

2. Introduction of GST – Introduction of GST is expected to benefit all the organized sector players in the industry in long term. This will help the organized players like ours to tighten their grip over the market by maintaining a cost structure more efficient than that of any unorganized local manufacturers. Indian pumps market is highly fragmented, with 20-25% of the market being unorganised. The recent

events including GST, stricter environment norms, rising compliance needs from global clients could eventually lead to a need to consolidate, large and efficient players growing higher than the industry and smaller units closing or consolidating with large players.

Threats:

1. Evolving technology of Solar Pumps – Our company caters to the domestic market and recently there have been increasing demand of Solar Pumps which can be used as an alternative of the pumps we manufacture. With increasing popularity of Solar Pumps can possess threat to our business if we do not enter into that segment.

2. Increasing competition – Pumps industry is highly competitive which faces competition from both organised and unorganised player. Our Company faces tough competition from them in terms of pricing, product types and customer base. Also, there are always the chances of new players entering this sector since barriers to entry are low. However, our Company has been successful enough to compete with them with increasing market share.

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office and manufacturing unit are well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities, which are required for our business operations to function smoothly. It is equipped with requisite utilities and facilities including the following:

Power

Our Company meets its power requirements by purchasing electricity from Gujarat State Electricity Board. Further we also have 82.5 KVA DG set for emergency use of Power.

Water

Our Company procures water from GIDC bore well situated in nearby vicinity.

CAPACITY UTILIZATION

Our manufacturing unit is engaged in manufacturing of pumps. The production and utilized capacities of our Company for these products for the past three years and also the projected capacities and utilizations for the subsequent three years are set forth in the following table:

S. N .	Product Name	2015-16		2016-17		2017 To Till date		Projected (Proposed Installed Capacity)		
		Installed	Actual	Installed	Actual	Installed	Actual	2018-19	2019-20	2020-21
1	Submersible Pumps	40000	35000	50000	45000	100000	70000	120000	145000	175000
2	Openwell Pumpsets	3000	2500	13000	11000	20000	15000	24000	32000	40000
3	Self-priming Pumpsets	4000	4000	5000	4500	35000	18000	42000	50000	60000
4	Centrifugal Pumpsets	800	500	1600	1000	4500	2500	5500	7500	9000

	Total	47800	42000	69600	6150 0	159500	10550 0	1915 00	23450 0	2840 00
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COLLABORATION

As on the date of this Prospectus, our Company has not entered into any technical or other collaboration.

EXPORT AND EXPORT OBLIGATION

The Company confirms that they do not have any export related obligations as on the date of filing Prospectus.

HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our Business.

As on December 31, 2017, we have 92 employees at our manufacturing facility and registered office, who look after our business operations, factory management, administrative, secretarial, legal, marketing and accounting functions in accordance with their respective designated goals. Apart from these we also employ casual labor or temporary labor on need basis. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

MARKETING

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with the traders who have been associated with our Company. Our team through their vast experience and good rapport with these traders owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. Our marketing activity is handled by experienced management team. We believe the relationship with our business partners is strong and established, as we receive repeated orders. To retain our customers, our team having adequate experience and competencies, regularly interact with them and focus on gaining an insight into the additional needs of customers.

END USERS

We cater our products to Domestic customers. Currently, we offer our products through dealers' network of more than 500. These dealers then sells our finished product to users in domestic residential sectors, agricultural sectors as well as industrial sectors.

For Domestic residential sectors, pumps serve the needs of urban/rural water supply to households.

For Agricultural purpose, the pumps are integral part which is required for production of food and grains.

For Industrial sectors, pumps are used for catering the water requirement of industries.

COMPETITION

Pumps industry being a large and concentrated industry, we face competition from various domestic players which may be both organized and unorganized. The Industry which we cater to is highly competitive, unorganized and fragmented with many small and medium-sized companies and entities and we compete with organized as well as unorganized sector on the basis of pricing of product, product quality and product range.

Most of our competitors in the regional level are from the unorganized sector of the pump industry.

We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. Further, our contractual obligations to our lenders also require us to obtain specific insurance policies.

We have taken Standard Fire & Special Perils Policy for a substantial majority of our assets at our office and factory. These policies also insure us against the risk of earthquakes with plinth and foundation. Our policies are subject to customary exclusions and customary deductibles.

We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

LAND AND PROPERTY

Leasehold/ Owned Properties:

We have leasehold/ owned properties located at the following locations:

S. No.	Address of the Property	Lessor/ Owner	Current Usage
1.	Plot No.1, Vibrant Industrial Park, Taluka: Vehlal, Ahmedabad	Latteys Industries Limited	Vacant
2.	Plot No 625, Phase 4, GIDC Naroda, Ahmedabad – 382330, Gujarat	G.I.D.C.	Given on rent

Rented Properties:

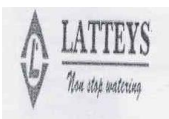
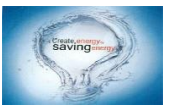
We have rented properties located at following locations:

S. No.	Address of the Property	Lessor	Rent Agreement	Current Usage
1.	127/629, S Block, Binova Nagar, Juhi, Kanpur, Uttar Pradesh – 208014	Smt. Pratibha Mishra	1 March, 2018 to 28 Feb, 2021	Branch Office – Kanpur
2.	H No. 143 Opp. House No. 1016, SECTOR 23A, Mangal Bazar Karterpuri, Gurgaon, Haryana -122017	Mr. Manish Kumar	1 Feb, 2018 to 31 Dec, 2018	Branch Office – Gurgaon
3.	Door No 33/2804/C1, Brindavan Road, Chakkaraparambu, Ernakulam, Cochin - 682032	Mr. Samitha Baig	1 December, 2017 to 30 November, 2018	Branch Office – Cochin
4.	Qtr. No. D-75, Road No. 1, Ashok Nagar, Ranchi, Jharkhand – 834001	Mr. Sanjay Kumar Lal	18 May, 2015 to 18 May, 2018	Branch Office – Ranchi
5.	Jaggiwan Lane Jagat Narayan Road, Behind Patliputra School Kadam Kuan, Patna, Bihar – 800016	Mr. Vishwanath Prasad	10 Jan, 2016 to 9 Jan, 2019	Branch Office – Patna
6.	Plot No. 223/1749, Mouza - Bomikhal, Bhubaneswar, Odisha - 751010	Mr. Subash Chandra Sahu	1 March, 2018 to 28 Feb, 2018	Branch Office – Odisha

7.	181, Sindhi Colony, Bani Park, Jaipur, Rajasthan - 302016	Mr. Vijay Kuamr Gulani	1 Jan, 2018 to 31 Dec, 2020	Branch Office – Jaipur
8.	T-104, Shivaji Nagar, Narela - 110040	Mr. Pawan Garg	1 March, 2018 to 28 Feb, 2021	Branch Office – Delhi
9.	41 Nasla Road, Opp. Gujrati College, Indore, Madhya Pradesh - 452001	Mr. Akhilesh Bandwal	1 March, 2018 to 1 Feb, 2019	Branch Office - Indore
10.	Plot No 16, Phase 1/2 GIDC Naroda, Ahmedabad – 382330, Gujarat	Mr. Kapoor Garg	1 April, 2014 to 31 March, 2019	Registered Office and Manufacturing facility

INTELLECTUAL PROPERTY RIGHTS

We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

S. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Registration status
1.		Device	7	Latteys Pumps Industries Private Limited	3058139	September 17, 2015	Objected (Ready for show cause hearing)
2.		Device	7	Latteys Industries Limited	3810366	April 19, 2018	New Application

Our Company confirms that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

KEY INDUSTRIES REGULATION AND POLICIES

Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of manufacturing and assembling of pumping solutions for homes, agriculture and industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 210 of this Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise” , where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “ Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

The Gujarat Industrial Policy 2015

Gujarat has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Gujarat. MSME sector has a special importance as this is the sector which belongs to common man. Gujarat Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by way of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development

assistance and support, MSMEs for credit rating, raising capital through SME exchange, reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Gujarat will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures, Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support will be provided to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents.

Gujarat government shall be taking market development initiatives with the intention of giving enhanced visibility to local produce from large industries and specifically from MSMEs. Government of Gujarat stresses on “Zero Defect” to produce globally-competitive, locally manufactured goods. One of the expansive marketing practices around the globe is participation in international and domestic trade fairs to show one’s products or wares. Government of Gujarat will make market credit available to MSMEs.

Quality improvement is strongly envisaged in the new industrial policy. The assistance will be granted by national (approved by quality council of India) and international certification. The policy also intends to encourage use of enterprise resources planning system (ERP) for MSMEs. Government of Gujarat also provides assistance for raising capital through SME exchange on one-time basis.

Anti-Trust Laws

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act. The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and the Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or

under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Employees' State Insurance Act, 1948 (the "ESI Act")

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories

(including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948("MWA")

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least

two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made there under provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded

statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

TAX RELATED LEGISLATIONS

Value Added Tax (“VAT”)

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons Liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

Gujarat Value Added Tax Act, 2003

Gujarat Value Added Tax, 2003 (GVAT Act) is made effective in the state of Gujarat from 1st April, 2006. On its implementation, the following Acts are repealed.

- The Gujarat Sales Tax Act, 1969,
- The Bombay Sales of Motor Spirit Taxation Act, 1958,
- The Purchase Tax on Sugarcane Act, 1989.

However, provisions relating to pending assessment, appeals, recovery etc., under the above Acts will survive. The basic requirement of charging tax under GVAT Act is that where any sale in the course of business is affected, in the State of Gujarat, VAT is payable under GVAT Act. Transactions made in the course of business only are covered under the GVAT Act.

Haryana Value Added Tax Act, 2003

A tax levied on collection of tax on sale or purchase of goods in the State of Haryana and matters incidental thereto. The term business includes (i) any trade, commerce or manufacture, or any adventure or concern in the nature of trade, commerce or manufacture, whether or not such trade, commerce, manufacture, adventure or concern is carried on with a motive to make gain or profit and whether or not any gain or profit accrues from such trade, commerce, manufacture, adventure or concern; and (ii) any transaction, casual or otherwise, in connection with, or incidental or ancillary to, such trade, commerce, manufacture or concern. “Trade” includes trade of goods and services. The term ‘goods’ in context to this act means every kind of movable property, tangible or intangible, other than newspapers, actionable claims, money, stocks and shares or securities but includes growing crops, grass, trees and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale.

Kerala Value Added Tax Act, 2003

Dealer in reference to the Act means any person who carries on the business of buying, selling, supplying or distributing goods, executing works contract, delivering any goods on hire-purchase or on any system of payment by instalments; transferring the right to use any goods or supplying by way of or as part of

any service, any goods directly or otherwise, whether for cash or for deferred payment, or for commission, remuneration or other valuable consideration not being an agriculturist and includes:(a) a casual trader; (b) a commission agent, a broker or a del credere agent or an auctioneer or any other mercantile agent, by whatever name called, of such dealer; (c) a non-resident dealer or an agent of a non-resident dealer, or a local branch of a firm or company or association or body of persons whether incorporated or not situated outside the State; (d) a person who, whether in the course of business or not, sells (i) goods produced by him by manufacture or otherwise; or (ii) trees which grow spontaneously and which are agreed to be severed before sale or under the contract of sale; (e) a person who whether in the course of business or not: (i) transfers any goods, including controlled goods whether in pursuance of a contract or not, for cash or for deferred payment or for other valuable consideration; (ii) supplies, by way of or as part of any service or in any other manner whatsoever, goods, being food or any other articles for human consumption or any drink (whether or not intoxicating), where such supply or service is for cash, deferred payment or other valuable consideration. (f) a bank or a financing institution, which, whether in the course of its business or not sells any gold or other valuable article pledged with it to secure any loan, for the realization of such loan amount;

Bihar Value Added Tax Act, 2005

This is an act to consolidate and amend the law relating to levy of tax on sales or purchases of goods in the State of Bihar and to provide for matters connected therewith or incidental thereto. The following individuals shall be taxable under the act: 1) Every dealer who is registered under the Bihar Finance Act, 1981 (Bihar Act 5 of 1981), as it stood before its repeal by section 94, shall be liable, on or after the commencement of this Act, to pay tax under this Act on sale or purchase, made by him. 2) Every dealer, to whom sub-section (1) does not apply, shall be liable to pay tax on sale or purchase, as the case may be, from the date on which his gross turnover, during a period not exceeding twelve months, first exceeded five lakh rupees 3) Notwithstanding anything contained in sub-section (1) or sub-section (2) but subject to the other provisions of this Act, every dealer, –

- a) being an importer or a manufacturer; or
- b) who is required to file a return under the Income-tax Act, 1961 (43 of 1961); or
- c) who holds any licence under the Explosives Act, 1884 (4 of 1884), or the Bihar Excise Act, 1915 (Bihar and Orissa Act 2 of 1915), or the Drugs and Cosmetics Act, 1940 (23 of 1940), or the Essential Commodities Act, 1955 (10 of 1955) or the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957); or
- d) being a corporation, constituted under any law for the time being in force or a company incorporated under the Companies Act, 1956 (1 of 1956), or, is registered under the Central Sales Tax Act, 1956 (74 of 1956); or
- e) whose place of business is located inside the market yard established under the Bihar Agriculture Produce Market Act, 1960 (Bihar Act 16 of 1960); or
- f) who fulfils the following two conditions, namely: –
 - i. uses a telephone in his place of business or has a mobile telephone; and
 - ii. the receipts or payments of whose business, either wholly or in part, are transacted through any bank, shall be liable to pay tax on sale or purchase, as the case may be, with effect from the date of the first sale of any taxable goods made by him.

(4) Every dealer who has become liable to pay tax under sub-sections (1), (2) and (3) shall, subject to the provisions of sub-section (5), cease to be so liable after the expiry of twelve consecutive months from the date he either closes or discontinues his business or entirely transfers his business to another person. The person liable to pay tax shall be registered under Section 19 of the Act. He will obtain a valid certificate of registration. Provided that any dealer not liable to pay tax under this Act may also apply for grant of a certificate of registration. Additionally, every dealer who is registered under Section 7 (1) of the

Central Sales Tax Act, 1956 shall apply for and obtain a certificate of registration, notwithstanding whether such dealer is not liable to pay tax under this Act. In case of any amendment or cancellation, the dealer shall notify the same to the authority by providing the requisite information.

Uttar Pradesh Value Added Tax Act, 2007

The Uttar Pradesh Value Added Tax Act, 2008 is an act to provide for introducing Value Added System of taxation for the levy and collection of tax on sale or purchase of goods in the State of Uttar Pradesh and for matters connected therewith and incidental thereto. The definition of dealer is under 2 (h) and “exempt goods” means any of the goods mentioned or described in column 2 of the Schedule-I. Chapter II deals with the levying of tax.

Odisha Value Added Tax Act, 2004

The tax shall be levied on sale or purchase of goods by a dealer on the taxable turnover of sales of every retailer registered under this Act whose annual gross turnover does not exceed Rs. 10 lakhs. The dealer who is liable to pay tax under this Act shall carry on business after possessing a certificate of registration. Every dealer required to be registered shall make an application in the prescribed manner to the registering authority within thirty days from the date of his liability to pay tax, and such application shall be accompanied by a declaration in the prescribed form duly filled in and signed by the dealer specifying therein such particulars as may be prescribed. Provided that where a dealer has more than one place of business inside the State, he shall declare one of such places as the principal place of business and make the application for the principal place of business, in the manner prescribed. Additionally, where a dealer registered under the Orissa Sales Tax Act, 1947 continues to be so registered on the day immediately before the appointed day and is liable to pay tax under this Act on such appointed day, shall be deemed to be registered under this Act and the registering authority shall issue to such dealer, in the prescribed manner, a certificate of registration under this Act in the prescribed form and the certificate of registration so issued shall be effective from the appointed day :

Provided that where any such dealer has more than one place of business inside the State, the registering authority shall issue to the dealer, one registration certificate in respect of any such place of business, as he deems appropriate, unless the dealer intimates in writing, to the registering authority, within fifteen days from the appointed day, the principal place of his business in the State in respect of which the certificate of registration shall be issued. All the dealers registered under this Act has to file a periodic return in compliance to the provisions of this Act.

Jharkhand Value Added Tax Act, 2005

It is an Act to provide for and consolidate the law relating to levy of Value Added Tax on sales or purchases of goods and on Entry of Goods into a local Area in the State of Jharkhand to collect fund for the purpose of Development of Trade, Commerce and Industries of the State. As per the act dealer means any person who carries on the business of buying, selling, supplying or distributing goods, executing works contract, delivering any goods on hire-purchase or any system of payment by instalments; transferring the right to use any goods or supplying by way of or as part of any service, any goods directly or otherwise, whether for cash or for deferred payment, or for commission, remuneration or other valuable consideration and includes; a) a casual trader; b) a commission agent, a broker or a del credere agent or an auctioneer or any other mercantile agent, by whatever name called, c) a non-resident dealer or an agent of a non-resident dealer, or a local: branch of a firm or company or association or body of persons whether incorporated or not, situated outside the State; d) a person who, in the course of business;

- i) sells goods produced by him by manufacture, agriculture, horticulture or otherwise; or
- ii) transfers any goods, including controlled goods whether in pursuance of a contract or not, for

- cash or for deferred payment or for other valuable consideration
- iii) supplies, by way of or as part of any service or in any other manner whatsoever, goods, being food or any other articles for human consumption or any drink (whether or not intoxicating), where such supply or service is for cash, deferred payment or other valuable consideration;

All the dealers liable to pay tax under the Act shall be registered and obtain a certificate of registration under this Act. In cases where the certificate of registration is suspended, restored or cancelled, the registering authority, shall display the fact in the office notice board, publish such fact in the Commercial Tax Gazette and Official website of the Commercial Taxes Department of Jharkhand.

Rajasthan Value Added Tax Act, 2003

VAT is the most progressive way of taxing consumption rather than business. RVAT has come into effect from 1st January 2007. It is a multi-stage tax on goods that is levied across various stages of production and supply with credit given for tax paid at each stage of Value addition. VAT is a system of multi-point levy on each of the entities in the supply chain with the facility of set-off input tax whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is essentially a consumption tax applicable to all commercial activities involving the production and distribution of goods, and each State that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register themselves and obtain a registration number.

Delhi Value Added Tax Act, 2004

The Delhi Value Added Tax Act, 2004 is an act to consolidate and amend the law relating to levy of tax on sale of goods, tax on transfer of property involved in execution of works contracts, tax on transfer of right to use goods and tax on entry of motor vehicles by way of introducing a value added tax regime in the local areas of the National Capital Territory of Delhi. An elaborative definition of the term dealer is contained in section 2 (j) of the Act. Under section 3 (1) of the Act, Subject to other provisions of the Act, every dealer who is –

- (a) registered under this Act; or
- (b) required to be registered under this Act; shall be liable to pay tax calculated in accordance with this Act, at the time and in the manner provided in this Act. The rates of tax to be levied are under section 4 of the Act. Tax shall be paid in the manner specified in section 36 of this Act. Section 6 deals with those sales which are exempt from tax.

The Gujarat (Panchayats, Municipalities, Municipal Corporations and State) Tax on Professions, Traders, Callings and Employments Act, 1976

Professional tax in Gujarat is governed by the Gujarat Panchayats, Municipalities, Municipal Corporation and State Tax on Professions, Traders, Callings and Employment Act, 1976 and rules of 1976. All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of 'dealer' defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than Rs. 2.50 lakhs, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlours, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc are covered under this Act. It is duty of the employers to deduct tax from the person earning any salary/wage in the organization. For the purpose of this act, employer means in relation to an

employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager of agent of the employer.

Monthly Salary	Amount payable in Gujarat
Less than Rs. 5999	Nil
Rs. 6000 to Rs. 8999	Rs. 80 per month
Rs. 9000 to Rs. 11999	Rs. 150 per month
Rs. 12000 & above	Rs. 200 per month

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services, as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Central Sales Tax Act, 1956 ("CST")

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) when a sale or purchase takes place outside a State (c) when a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taking out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with

the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

OTHER LAWS

The Factories Act, 1948 (“Factories Act”)

The Factories Act, 1948 aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day

of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...". The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Air Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Water Act.

Hazardous Waste (Management and Handling) Rules, 1989 (“Hazardous Waste Rules”)

The Hazardous Waste Rules, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999 (“TM Act”)

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an

order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999 (“FEMA”)

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as Latteys Pumps Industries Private Limited at Ahmedabad, Gujarat as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 02, 2013 bearing Corporate Identification Number U29120GJ2013PTC074281 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Our Company acquired the business of proprietorship concern of our Promoter Kapoor Chand Garg viz. M/s Latteys Pumps Industries vide a Memorandum of Understanding dated April 08, 2013. Further, the name of our Company was changed to “Latteys Industries Private Limited” on July 11, 2017 vide a Fresh Certificate of Incorporation issued by Deputy Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 14, 2017 and the name of our Company was changed to Latteys Industries Limited vide a Fresh Certificate of Incorporation dated August 21, 2017 issued by Deputy Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U29120GJ2013PLC074281.

Kapoor Chand Garg and Pawan Garg are the promoters and initial subscribers to the Memorandum of Association of our Company.

Our Company is in the business of manufacturing and assembling of pumping solutions for homes, agriculture & Industrial sectors. For information on our Company’s profile, activities, market, products, etc., market of each segment, standing of our Company in comparison with prominent competitors, with reference to its products, management, managerial competence, market, major suppliers and customers, geographical segment, regulatory approvals, etc. wherever applicable, please refer to the chapters titled “Our Business”, “Our Industry”, “Financial Statements as Restated”, “Management’s Discussion and Analysis of Financial Condition and Results of Operation”, “Government and Other Statutory Approvals” beginning on page 124, 103, 184, 185 and 210 respectively of this Prospectus.

CHANGES IN THE REGISTERED OFFICE

Since incorporation, the registered office of our Company is situated at Plot No. 16, Phase -1/2, GIDC Estate, Naroda, Ahmedabad - 382330 Gujarat, India. Since, then there has been no change in registered office of our Company.

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Year	Milestone
2013	Incorporation of Company.
2013	Acquisition of Business of M/s. Latteys Pumps Industries Proprietorship concern of. Kapoor Chand Garg.
2013	ISO 9001:2015
2017	Conversion of Company to Public Company.

MAIN OBJECTS OF OUR COMPANY

1. The main objective of the Company is take over the business of M/s. Latteys Pumps Industries, Proprietorship (Prop. Mr. Kapoor Chand Garg) after the formation of Company.
2. To carry on the business of producing or manufacturing and trading of various kinds of submersible pumps, agriculture pumps and equipments, industrial pumps and machinery, water pumps, water motors, electric motor and other ancillary products and providing various after

manufacturing services like repairing of pumps, motors and other ancillary products in all over India & Abroad.

AMENDMENTS TO OUR MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been incorporated in our Memorandum of Association of our Company, after approval of our members:

Date of Shareholder's Approval	Amendment
August 01, 2015	The authorized share capital of Rs 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs 10/- each was increased to Rs 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs 10/- each.
July 11, 2016	The authorized share capital of Rs 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs 10/- each was increased to Rs 3,25,00,000 consisting of 32,50,000 Equity Shares of Rs 10/- each.
June 13, 2017	Change in name clause pursuant to change in name of Company from Latteys Pumps Industries Private Limited to Latteys Industries Private Limited. A Fresh Certificate of Incorporation dated pursuant to change of name was issued by Deputy Registrar of Companies, Ahmedabad on July 11, 2017
July 14, 2017	Amendment of Memorandum of Association upon Conversion of our Company from Private Limited Company to a Public Limited Company and the consequent change in name of our Company to Latteys Industries Limited. A fresh certificate of incorporation pursuant to the change of name and conversion of Company to public was issued by the Deputy Registrar of Companies, Ahmedabad on August 21, 2017
January 01, 2018	The authorized share capital of Rs 3,25,00,000 consisting of 32,50,000 Equity Shares of Rs 10/- each was increased to Rs 5,00,00,000 consisting of 50,00,000 Equity Shares of Rs 10/- each.

HOLDING/ SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has no holding/ subsidiary Company as on this date of filing of this Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled "*Capital Structure*" beginning on page 78 of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not merged/ amalgamated itself since incorporation. However, our Company acquired the proprietorship concern of our promoter Kapoor Chand Garg viz. M/S Latteys Pumps Industries through a Memorandum of Understanding dated April 08, 2013.

SHAREHOLDERS AGREEMENT

Our Company has not entered into any Shareholders' Agreements as on the date of this Prospectus.

OTHER AGREEMENTS

There are no material agreements or contracts, which have been entered into by our Company within a

period of two years prior to the date of the Prospectus, which are not in the ordinary course of business.

STRATEGIC/ FINANCIAL PARTNERS

Our Company does not have any strategic/ financial partners as on date of the Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

Our Company is not in default or in the process of rescheduling in respect of any borrowings with financial institutions/banks.

CONVERSION OF LOANS INTO EQUITY SHARES

There have been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Prospectus.

CHANGES IN THE ACTIVITIES OF THE COMPANY DURING THE LAST FIVE YEARS

There has been no change in the activities of our Company during last five years..

STRIKES, LOCK-OUTS OR LABOUR UNREST IN THE COMPANY

There have been no strikes, lock-outs or labour unrest since incorporation of our Company

TIME AND COST OVER-RUNS IN SETTING UP PROJECTS

As on the date of this Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

REVALUATION OF ASSETS

There has been no revaluation of our assets and we have not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves

NUMBER OF SHAREHOLDERS

Our Company has 7 shareholders as on date of this Prospectus. For further details on shareholders please refer to chapter titled “Capital Structure” beginning on page 78 of this Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have 5 directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of Prospectus:

Sr. No.	Name, Father's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment as Director	Other Directorship
a.	<p>Name: Kapoor Chand Garg Father's Name: Jawala Prasad Garg Age: 44 Years Designation: Chairman & Managing Director Address: 15, Shraddha Residency, Motera, Sabarmati, Ahemdabad – 380005 Gujarat, India Occupation: Business Nationality: Indian DIN: 00434621 Term: For a period of 3 years from November 23, 2017 but shall be liable to retire by rotation</p>	<p>Appointed as Executive Director w.e.f April 02, 2013</p> <p>Re-appointed as Chairman & Managing Director w.e.f. November 23, 2017</p>	<p>Public Limited Company Nil</p> <p>Private Limited Company Nil</p>
b.	<p>Name: Pawan Garg Father's Name: Jawala Prasad Garg Age: 37 years Designation: Whole Time Director Address: 15, Shraddha Residency, Opp. Sangath Platina, Motera, Sabarmati, Ahmedabad – 380005 Gujarat, India Occupation: Business Nationality: Indian DIN: 00434836 Term: For a period of 3 years from November 23, 2017 but shall be liable to retire by rotation</p>	<p>Appointed as Executive Director w.e.f April 02, 2013</p> <p>Re-appointed as Whole Time Director w.e.f. November 23, 2017</p>	<p>Public Limited Company – Nil</p> <p>Private Limited Company 1. Lattice Engineering Private Limited</p>
c.	<p>Name: Saroj Garg Father's Name: Sekhar Chand Age: 43 years Designation: Non-Executive Director Address: 15, Shraddha Residency Motera Ahmedabad 380005, Gujarat, India Occupation: Business Nationality: Indian</p>	<p>Appointment as Non-Executive Director w.e.f July 04, 2016</p>	<p>Public Limited Company – Nil</p> <p>Private Limited Company 1. Lattice Engineering Private Limited</p>

Sr. No.	Name, Father's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment as Director	Other Directorship
	DIN: 03564480 Term: Liable to Retire by rotation		
d.	Name: Sandeep Kumar Mangal Father's Name: Raj Kumar Mangal Age: 29 years Designation: Independent Director Address: B-50, Shivaji Road, Subhash Mohalla, North Ghonda Delhi 110053, India Occupation: Professional Nationality: Indian DIN: 07335831 Term: For a period of 4 years w.e.f. 08.01.2018	Appointed as Additional Independent Director w.e.f January 04, 2018 Regularised as Independent Director w.e.f January 08, 2018	Public Limited Company Nil Private Limited Company 1. I3D Content Solution Private Limited.
e.	Name: Sachin Gupta Father's Name: Rambabu Gupta Age: 34 years Designation: Independent Director Address: 146, Prem Nagar, Linepar Gali No. -5 Moradabad - 244001, Uttar Pradesh India Occupation: Business Nationality: Indian DIN: 03637291 Term: For a period of 4 years w.e.f. 08.01.2018	Appointed as Additional Independent Director w.e.f January 04, 2018 Regularised as Independent Director w.e.f January 08, 2018	Public Limited Company Nil Private Limited Company Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

i. Kapoor Chand Garg

Kapoor Chand Garg, aged 44 years is the Promoter, Chairman & Managing Director of our Company. He has been Director of our Company since incorporation. He has a rich experience of approximately 15 years in Pump Industry. He is the key person and the guiding force behind all the corporate decisions, formulation and implementation of business strategy for growth & expansion. At present he looks after the overall working of the company.

ii. Pawan Garg

Pawan Garg, aged 37 years is Promoter & Whole Time Director of our Company. He has been Director of our Company since incorporation. He has approximately 11 years of experience in the Pump Industry. He holds relevant knowledge and expertise in the areas of marketing, sales and branding. At present he heads the Marketing department of the Company.

iii. Saroj Garg

Saroj Garg, aged 43 years has been appointed as Non-Executive Director of our Company. She has been on the board since July 04, 2016.

iv. Sandeep Kumar Mangal

Sandeep Kumar Mangal, aged 29 years is an Independent Director of the Company and has been on the Board since January 4, 2018. He has completed Bachelors of Commerce from Delhi University. He is a certified Chartered Accountant and is a member of the Institute of Chartered Accountants of India.

v. Sachin Gupta

Sachin Gupta, aged 34 years is an Independent Director of the Company and has been on the Board since January 4, 2018. He holds a Degree of Master's of Business Administration from Uttar Pradesh Technical University.

CONFIRMATIONS

As on the date of this Prospectus:

1. Except as stated below; none of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013

Directors	Other Directors	Relation
Kapoor Chand Garg	Pawan Garg	Brothers
Saroj Garg	Kapoor Chand Garg	Spouse

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

During the last financial year ended on March 31, 2017, the directors have been paid gross remuneration as follows.

Name of Director	Amount (Rs. In Lakhs)
Kapoor Chand Garg	19.20
Pawan Garg	19.20

Compensation of our Managing Director:

The compensation payable to our Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013 the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with schedule V to the Companies Act, 2013 and Articles of Association of the Company.

Terms and conditions of employment of our Managing Director:

Kapoor Chand Garg

Kapoor Chand Garg has been the Director of our company since incorporation. Subsequently he was designated as Chairman & Managing Director of our Company on November 23, 2017 for a period of three years with effect from 23rd November, 2017. The terms and conditions of his employment are as follows.

Remuneration	Rs 1.60 /- Lakhs per month.
Term of Appointment	3 Years
Perquisites	The Managing Director shall be entitled to use company's car in connection with Company's business.
Reimbursement	Reimbursement of actual Travelling expenses and out of pocket expenses incurred by him on account of business of the Company.

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

Terms and conditions of employment of our Whole Time Director:

Pawan Garg

Pawan Garg has been a Director of our company since incorporation. Subsequently he was designated as Whole Time Director of our Company for a period of three years with effect from 23rd November, 2017. The terms and conditions of his employment are as follows:-

Remuneration	Rs 1.60 Lakhs per month.
Term of Appointment	3 Years
Perquisites	The Whole Time Director shall be entitled to use company's car in connection with Company's business.
Reimbursement	Reimbursement of actual Travelling expenses and out of pocket expenses incurred by him on account of business of the Company.

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e. as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

Terms and conditions of employment of our Non Executive Director and Independent Directors

Non Executive and Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Kapoor Chand Garg	29,16,090	86.33%	63.40
2.	Pawan Garg	1,87,670	5.56%	4.08
3.	Saroj Garg	12,900	0.38%	0.28

INTERESTS OF DIRECTORS

Interest in Promotion of the Company

Our Directors, Kapoor Chand Garg and Pawan Garg may be deemed to be interested to the extent of being Promoters of our Company.

Our Directors, Kapoor Chand Garg, Pawan Garg and Saroj Garg may be deemed to be interested to the extent of any dividend payable to him and other distributions in respect of the Equity Shares held by them. For further details, refer to chapters titled “*Our Promoter and Promoter Group*”, “*Capital Structure*” and “*Related Party Transaction*” beginning on page 171, 78 and 182 of this Prospectus.

Interest by way of Remuneration from the Company

Our Directors, Kapoor Chand Garg and Pawan Garg may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see “*Remuneration/Compensation of Directors*” above. Further, our Non-Executive Directors and Independent Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as decided by our Board subject to Articles of Association. Further, except as disclosed above none of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said equity shares, if any. Except as stated in the chapters “*Our Management*” and “*Related Party Transactions*” beginning on pages 160 and 182 respectively of this Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Interest by way of sitting fees.

The Articles of Association of our Company provides that payment of sitting fees to Directors for attending a meeting of the Board or a Committee thereof and shall be decided by the Board of Directors from time to time.

PROPERTY INTEREST

Except as stated/referred to in the heading titled “*Land and Property*” under the chapter titled “*Our Business*” beginning on page 124 and chapter titled “*Related Party Transaction*” on page 182 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of two years preceding the date of Prospectus in which the Directors are interested directly or indirectly

and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property to be acquired by the Company except other wise disclosed in the heading titled “*Land and Property*” under the chapter titled “*Our Business*” beginning on page 124 of the Prospectus.

INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 184 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any subsidiary or associate company as on date of filing this Prospectus.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Prospectus:

Name	Date of event	Nature of event	Reason
Saroj Garg	July 04, 2016	Appointment	Appointed as Director
Kapoor Chand Garg	November 23, 2017	Change in Designation	Appointed as Chairman & Managing Director
Pawan Garg	November 23, 2017	Change in Designation	Appointed as Whole Time Director
Sandeep Kumar Mangal	January 04, 2018	Appointment	Appointed as Additional Independent Director
Sachin Gupta	January 04, 2018	Appointment	Appointed as Additional Independent Director
Sandeep Kumar Mangal	January 08, 2018	Regularization	Regularized as Independent Director
Sachin Gupta	January 08, 2018	Regularization	Regularized as Independent Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on January 01, 2018 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of 1000 crores.

CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations will be applicable to our Company immediately upon the listing of our Equity Shares with National Stock Exchange of India Limited. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Chapter IV of the SEBI Listing Regulations as may be applicable.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has five directors out of which two are Independent Directors. The constitution of our Board is in compliance with section 149 of the Companies Act, 2013.

The following committees have been formed in compliance with the corporate governance norms:

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee

A) Audit Committee

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 vide resolution passed in the meeting of the Board of Directors dated January 16, 2018. The constituted Audit Committee comprises following members:

Name of the Director	Status	Nature of Directorship
Sandeep Kumar Mangal	Chairman	Independent Director
Sachin Gupta	Member	Independent Director
Saroj Garg	Member	Non-Executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers/responsibilities:

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal Audit reports relating to internal control weaknesses; and

- e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Approving initial or any subsequent modification of transactions of the Company with related parties;
5. Scrutinizing inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 314 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices along with reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Qualifications in the draft audit report.
10. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
11. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with the internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
20. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit Committee shall be called by at least seven day's notice in advance.

Tenure:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on January 16, 2018.

The Stakeholder's Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Sandeep Kumar Mangal	Chairman	Independent Director
Sachin Gupta	Member	Independent Director
Saroj Garg	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder’s Relationship Committee.

The scope and function of the Stakeholder’s Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholder/ Investor Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder / Investor Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher
- C. Terms of Reference:** Redressal of shareholders’ and investors’ complaints, including and in respect of:
 1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;
 2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
 3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances;
 4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties;
 5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
 6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time;
 7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting;
 8. Carrying out any other function contained in the SME equity listing agreement as and when amended from time to time.

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on January 16, 2018. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
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Name of the Director	Status	Nature of Directorship
Sandeep Kumar Mangal	Chairman	Independent Director
Sachin Gupta	Member	Independent Director
Saroj Garg	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- A. **Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. **Meetings:** The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration/Compensation Committee shall be called by at least seven day's notice in advance.

The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven day's notice in advance.

C. Terms of Reference:

- Identify persons who are qualified to become Directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluations of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for directors, Key Managerial Personnel and other employees;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.;
- To formulate and administer the Employee Stock Option Scheme.
- Formulate the assessment/evaluation criteria for performance evaluation of the Directors of the Company;
- Devise a policy on the Board diversity;
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;

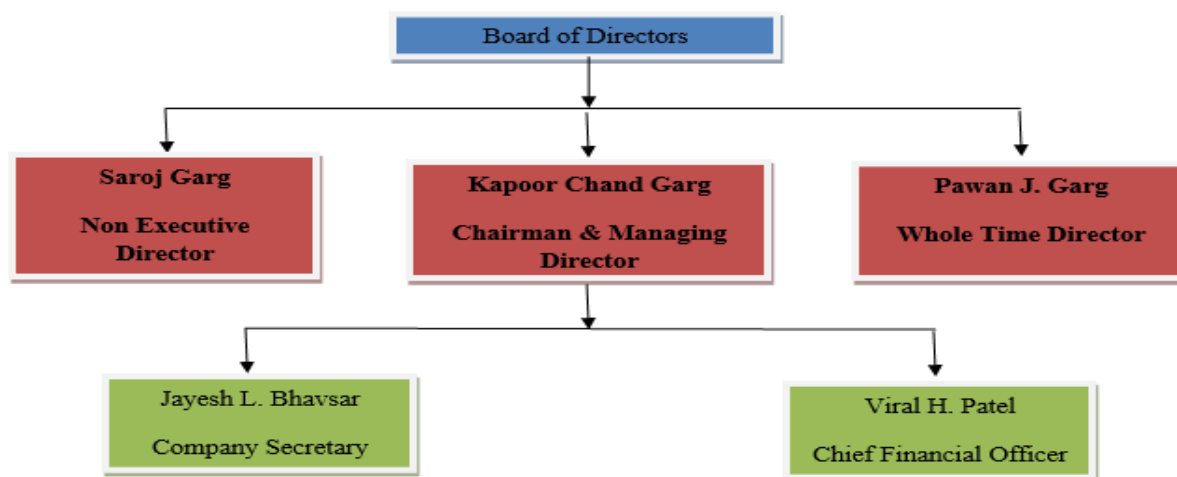
Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on NSE Emerge. We shall

comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

Jayesh Laxmanbhai Bhavsar, Company Secretary & Compliance Officer, will be responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

The details of our Key Managerial Personnel are set out below:

a. Kapoor Chand Garg, Managing Director

Kapoor Chand Garg, aged 44 years is the Promoter, Chairman & Managing Director of our Company. He has been Director of our Company since incorporation. He has a rich experience of approximately 15 years in Pump Industry.. He is the key person and the guiding force behind all the corporate decisions, formulation and implementation of business strategy for growth & expansion. At present he looks overall working of the company.

b. Pawan Garg, Whole Time Director

Pawan Garg, aged 37 years is Promoter & Whole Time Director of our Company. He has been Director of our Company since incorporation. He has approximately 11 years of experience in the pipe industry. He holds relevant knowledge and expertise in the areas of marketing, sales and branding. At present he heads the Marketing department of the Company.

c. Viralbhai Patel, Chief Financial Officer

Viralbhai Patel, aged 28 years, has been appointed as Chief Financial Officer of our company with effect from October 27, 2017. He has completed his Bachelor of Commerce from Gujarat University. He has experience of more than 3 years in accounts field. At present he handles financial operations & taxation matters of the Company.

d. Jayesh Bhavsar, Company Secretary & Compliance Officer

Jayesh Bhavsar, aged 25 years, has been appointed as Company Secretary & Compliance Officer of our Company with effect from October 27, 2017. He has completed his Bachelor of Commerce from Gujarat University. He is a qualified Company Secretary by profession and is an associate member of The Institute of Company Secretaries of India. . He has experience in Corporate Secretarial & legal work of 2 years. He looks after the Legal & Compliance Department of the company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel's are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of the Key Managerial Personnel are permanent employees of our company.

Key Managerial Personnel	Key Managerial Personnel	Relation
Kapoor Chand Garg	Pawan Garg	Brothers

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Except as mentioned below, none of our Directors of the Company are related to the Key Managerial Personnel within the meaning of section 2(77) of the Companies Act, 2013.

Director/Promoter	Key Managerial Personnel	Relation
Kapoor Chand Garg	Pawan Garg	Brothers
Saroj Garg	Kapoor Chand Garg	Spouse

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Prospectus.

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Kapoor Chand Garg	29,16,090	86.33%	63.40
2.	Pawan Garg	1,87,670	5.56%	4.08

REMUNERATION/ COMPENSATION TO KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel have received any remuneration during the last Financial Year ended 31st March, 2017

Name of the Key Managerial Personnel	Remuneration paid during FY 2016-17 (Rupees in Lakhs)
Kapoor Chand Garg	19.20
Pawan Garg	19.20

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any.

Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the heading titled “*Related Party Transactions*” under the Section titled “Financial Statements as Restated” beginning on page 184 of this Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The Changes in the Key Managerial Personnel in the last three years are as follows:

Name	Designation	Date of event	Reason
Viralbhai Patel	Chief Financial Officer	October 27, 2017	Appointment
Jayesh Bhavsar	Company Secretary and Compliance Officer	October 27, 2017	Appointment
Kapoor Chand Garg	Managing Director	November 23, 2017	Change in Designation as Chairman and Managing Director
Pawan Garg	Whole Time Director	November 23, 2017	Change in Designation as Chairman and Whole Time Director

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 184 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

Our Company is promoted by Kapoor Chand Garg and Pawan Garg. As on date of this Prospectus, our promoter holds, in aggregate 31,03,760 Equity Shares representing 91.89 % of the pre-issue paid up Capital of our Company.

Brief profile of our Promoter is as under:

	<p>Kapoor Chand Garg, Promoter, Chairman & Managing Director</p> <p>Kapoor Chand Garg, aged 44 years, is the Promoter, Chairman & Managing Director of our Company. He has been on the Board of our Company since incorporation. He has a rich experience in Pump Industry for more than 15 years. His experience and dedication has contributed in the development of the Company. He is the key person and the guiding force behind all the corporate decisions, formulation and implementation of business strategy for growth & expansion. At present he looks overall working of the company.</p> <p>Passport No: N4390267 Driving License: P08042004386978 Voters ID:SGH1896976 Address: 15 Shraddha Residency, Motera Sabarmati Ahmedabad 380005 Gujarat, India</p> <p>Firms and Ventures promoted by Kapoor Chand Garg</p> <ol style="list-style-type: none"> 1. Kapoor Garg HUF <p>For further details relating to Kapoor Chand Garg, including terms of appointment as our Chairman & Managing Director, other directorships, please refer to the chapter titled “<i>Our Management</i>” beginning on page 160 of this Prospectus.</p>
	<p>Pawan Garg, Promoter & Whole Time Director</p> <p>Pawan Garg, aged 37 years, is the Promoter and Whole Time Director of our Company. He has been on the Board of our Company since incorporation. He has over 11 years of experience in the pump industry. He holds relevant knowledge and expertise in the areas of marketing, sales and branding. At present he heads the Marketing department of the Company.</p> <p>Passport No: K2920981 Driving License: GJ18/022112/03 Voters ID: XVX0115295 Address: 15, Shraddha Residency Opp Sangath Platina, Motera,</p>

	<p>Sabarmati Ahmedabad 380005 Gujarat, India</p> <p>Firms and Venture promoted by Pawan Garg:</p> <ol style="list-style-type: none"> 1. Pawan Garg HUF <p>For further details relating to Pawan Garg, including terms of appointment as our Whole Time Director, other directorships, please refer to the chapter titled “<i>Our Management</i>” beginning on page 160 of this Prospectus.</p>
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DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Prospectus with it.

INTEREST OF PROMOTERS

Our Promoters, Kapoor Chand Garg and Pawan Garg are interested in our Company to the extent that they promoted and formed our Company and are interested to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our promoters in our Company, please refer “*Capital Structure*” on page 78 of this Prospectus.

Our Promoters may also be deemed to be interested in our Company to the extent of their shareholding/ interest in our group company /or ventures promoted by them with which our Company transacts during the course of its operations.

Our Promoters are Directors and KMP of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, 2013 and in terms of the agreements entered into with our company, if any and AoA of our Company. For details please see “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 160, 184 and 78 respectively of this Prospectus.

Except as stated in this section and “*Related Party Transactions*” and “*Our Management*” on page 182 and 160 of this Prospectus respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

COMMON PURSUITS

None of the Ventures promoted by our Promoters in which they have any business interests / other interests deals in the similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favor itself or other ventures in which our Promoters have interests. Except as disclosed in this Prospectus, our promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

RELATED PARTY TRANSACTIONS

For the transactions with our Promoters, Promoter Group and Group Company, please refer to chapter titled “*Related Party Transactions*” on page 182 of this Prospectus.

Except as stated in “*Related Party Transactions*” beginning on page 182 of this Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

PAYMENT OR BENEFITS TO PROMOTERS

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 182 of this Prospectus, there have been no payments or benefits to the Promoters during the two years prior to filing of Prospectus.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations is as under:

A. Natural Persons who are part of the Promoter Group:

Relationship with Promoters	Kapoor Chand Garg	Pawan Garg
Father	Jawala Prasad Garg	Jawala Prasad Garg
Mother	-	-
Spouse	Saroj Garg	Anu Garg
Brother	Pawan Garg	Kapoor Chand Garg
Sister(s)	Poonam Goel	Poonam Goel
	Seema Aggarwal*	-
Son(s)	Ayush Garg	Aarnav Garg
Daughter	Jhanvi Garg	Chandni Garg
Wife's Father	Shekhar Chand Goel*	Mangal Sain Singhal*
Wife's Mother	-	Neeru Gupta*
Wife's Brother(s)	Sat Narian Goel*	Ashish Singhal*
	Satbir Singh*	Navneet Singhal*
	Subhash Chand Gupta*	
Wife's Sister(s)	Kalawati Garg*	-
	Nirmala Devi*	
	Priyanka Garg*	

B. Companies, Firms, Entities and HUFs forming part of our Promoter Group:

1. Lattice Engineering Private Limited.
2. Kapoor Garg HUF.
3. Pawan Garg HUF.
4. Jawala Prasad HUF.
5. Latteys Sales India- proprietorship of Jawala Prasad Garg
6. Latteys Marketing Company- proprietorship of Anu Garg.

*Our Company has issued letters dated March 06, 2018 to relatives of our Individual Promoter, **Kapoor Chand Garg** i.e. Seema Aggarwal, Shekhar Chand Goel, Sat Narian Goel, Satbir Singh, Subhash Chand Gupta, Kalawati Garg, Nirmala Devi, Priyanka Garg and our Promoter **Pawan Garg** relatives i.e Mangal

Sain Singhal, Neeru Gupta, Ashish Singhal and Navneet Singhal asking for the details of entity(ies) in which they severally or jointly have an interest. Our Company has sent a letter to each relative demanding their personal documents for identification of promoter group. However, we have not received reply from any of these relatives. Therefore, the disclosures made in this Prospectus are limited to the extent of information that has been made available by our Promoter in relation to Promoter Group and Group Companies.

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as disclosed herein, our Promoter is not related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoter	Director	Relationship
Kapoor Chand Garg	Pawan Garg	Brother
	Saroj Garg	Spouse
Pawan Garg	Kapoor Chand Garg	Brother

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEAR

Our Promoters, Kapoor Garg and Pawan Garg have disassociated themselves Maa Polyfab Fab Private Limited. and K K Pumps Private Limited respectively during the last three years.

CHANGES IN CONTROL

There was no change in management of our Company during five years immediately preceding the date of filing of this Prospectus.

LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, please refer "*Outstanding Litigation and Material Developments*" on page 202 of this Prospectus.

CONFIRMATIONS

Our Company, our Promoters and members of promoter group are not Wilful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in “*Related Party Transactions*” on page 182 of this Prospectus, our Promoters are not related to any of the sundry debtors nor to the beneficiaries of Loans and Advances given by/to our Company.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the chapter titled “Our Promoter and Promoter Group” and “Our Group Companies” beginning on page 174 and 179, of Prospectus, there are no ventures promoted by our Promoter in which they have any business interests / other interests.

DEFUNCT / STRUCK-OFF COMPANY

One of our Promoter Group entity viz. K K Pumps Private Limited has been struck off.

OUR GROUP COMPANY

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated February 7, 2018, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature. Further companies which have been disclosed as related parties in the restated financial statements of our company for the last five financial years and which are no longer associated with our company have not been disclosed as group companies.

OUR GROUP COMPANY

The Details of our group Company are provided below:

1. LATTICE ENGINEERING PRIVATE LIMITED

Lattice Engineering Private Limited was incorporated on February 11, 2014 under the provisions of Companies Act, 1956. The Company has its registered office at 15, Shraddha Residency Motera, Sabarmati Ahmedabad-380005 Gujarat, India. The paid up capital of the company is Rs. 69.60 lakhs. The Corporate Identification Number is U25200GJ2014PTC078689.

In terms of its Memorandum of Association, it is, inter alia carrying on business of manufacture, produce, general engineering business, developers, traders, buyers seller exporter, importers or otherwise deal in all kinds of goods used for the purpose of irrigation, water transportation ,sanitary systems, drainage systems, cable ducting.

Board of Directors

Name of the Directors
Pawan Garg
Saroj Garg

Financial Information;

The audited financial statements of the company for the last three Financial Years are as follows:

(Rs. In Lakhs except NAV)

Particulars	2016-17	2015-16	2014-15
Paid Up Capital	69.60	69.60	69.60
Reserves & Surplus	(85.48)	(67.11)	(36.52)
NAV (in Rs.)	(2.28)	0.36	4.75

Nature and extent of interest of Promoters

Our Promoter Pawan Garg holds 3,48,000 Equity Shares constituting to 50% of total paid up share capital of Lattice Engineering Private Limited.

CONFIRMATION

None of the securities of our Group Company are listed on any stock exchange and none of our Group Company have made any public or rights issue of securities in the preceding three years.

Our Group Company has not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Our Group Companies have become not been declared sick companies under the SICA. Additionally, Group Company has not been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

LITIGATION

For details related to litigations and regulatory proceedings involving our Group Companies and defaults made by them, please refer to the chapter titled, “*Outstanding Litigations and Material Developments*” on page 202 of this Prospectus.

DISSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

Our Promoter Kapoor Chand Garg has disassociated himself from Maa Polyfab Private Limited and K K Pumps Private Limited during the last three years.

NEGATIVE NET WORTH

Our Group Company Lattice Engineering Pvt. Ltd. has negative net worth as on the date of filing of this Prospectus.

DEFUNCT / STRUCK-OFF COMPANY

Except K K Pumps Private Limited none of our Group Company has become defunct or struck – off in the five years preceding the filing of this Prospectus.

INTEREST OF OUR GROUP COMPANIES

Interest in the promotion of our Company

None of Our Group Company have any interest in the promotion of our Company.

Interest in the properties acquired or proposed to be acquired by our Company in the past two years before filing the Prospectus

Our Group Company does not have any interest in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of Prospectus or proposed to be acquired by it.

Interest in the transactions for acquisition of land, construction of building and supply of machinery.

Our Group Company is not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

COMMON PURSUITS

None of our group company has common pursuits with our company and also these companies do not have any non-compete agreements in place amongst themselves, there is no conflict of interest between our Company and Group Company.-

SALES/PURCHASES BETWEEN OUR COMPANY & GROUP COMPANIES

Other than as disclosed in the chapter titled “*Related Party Transactions*” on page 182 of this Prospectus, there are no sales / purchases between the Company and the Group Companies.

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANIES AND SIGNIFICANCE OF THE FINANCIAL PERFORMANCE OF OUR COMPANY

For details, please refer to the section titled —Related Party Transactions beginning on page 182 of this Prospectus.

PAYMENT OR BENEFIT TO OUR GROUP COMPANIES

Except as stated in chapter titled “*Related Party Transactions*” beginning on page 182 of this Prospectus, there has been no payment of benefits to our Group Companies during the period ended December 31, 2017 and financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 nor is any benefit proposed to be paid to them.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXXIII of restated financial statement under the section titled, *Financial Statements as restated* beginning on page 184 of this Prospectus

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years till March 31, 2017.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

**SECTION V- FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RESTATED**

Particulars	Page No.
Restated Financial Statements	F1 to F40

SECTION V-FINANCIAL STATEMENTS
FINANCIAL STATEMENT AS RESTATED
Independent Auditor's Report for the Restated Financial Statements of
Latteys Industries Limited

Report of Auditors on the Restated Financial Information of Latteys Industries Limited for each of the years / period ended on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.

To
The Board of Directors
Latteys Industries Limited
(Formerly Known as Latteys Industries Private Limited / Latteys Pump Industries Private Limited)
Plot No. 16, Phase- 1/2,
GIDC Estate, Naroda,
Ahmedabad GJ 382330

Dear Sir,

1. We Piyush J. Shah & Co. has examined the attached Restated Statement of Asset and Liabilities of Latteys Industries Limited (The Company) as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 and the related Profit & Loss and the related Restated Statement of Cash Flow for the financial year / period ended on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 (collectively the "Restated Summary Statements" or "Restated Financial Statements"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offer (IPO) in Emerge Platform of National Stock Exchange Limited (NSE).
2. Such Financial information , which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:
 - a. Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act,2013, AS amended (hereinafter referred to as the "Act");
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009 ("SEBI Regulations") ("SEBI ICDR Regulations") issued by the SEBI in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications made thereto from time to time;
 - c. The terms of reference to our engagements with the Company, requesting us to examine the financial information referred to above and proposed to be included in this Draft offer Document / offer Document of the Company in connection with its proposed initial public offer of equity shares in SME Platform of NSE.
3. The Restated Summary Statements of the Company have been extracted by the Management from the audited financial statements of the Company for the financial years ended on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 which have been approved by the Board of Directors.
4. Financial Statement for the Financial Period ended on December 31, 2017 has been audited by Gaurav Ashok Jain & Associates, as required under the Companies Act, 2013. This report in so far as it relates to the amounts included for the Financial Year March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 is based on the audited financial statements of the

Company.

Further, financial statements for the financial year/period ended on December 31, 2017 and March 31, 2017 have been re-audited by us as per the relevant guidelines.

5. In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations , Guidance Note and Engagement Letter , We report that;
 - a. The “Restated statement of Assets and Liabilities” as set out in Annexure I to this report of the company as at years / period ended on December 31, 2017, March 31, 2017, March 31,2016, March 31, 2015, and March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities as restated have been arrived at after making such adjustment and regroupings to the Individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
 - b. The “Restated statement of Profit & Loss” as set out in Annexure II to this report of the company for the financial years / period ended on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Profit & Loss as restated have been arrived at after making such adjustment and regroupings to the Individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
 - c. The “Restated statement of Cash Flow” as set out in Annexure III to this report of the company for the financial years / period ended on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow as restated have been arrived at after making such adjustment and regroupings to the Individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
6. Based on the above, we are of the opinion that the Restated Financial Statements Have been made after incorporating :
 - a. Adjustments if any, for the changes in accounting policies retrospectively in respective financial years / period to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods.
 - b. Adjustments for prior period and other material amounts in the respective financial years / period to which they relate and there are not qualifications which require adjustments.
 - c. There are no exceptional and extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
 - d. These Profits / (Losses) have been arrived at after charging all expenses including depreciation and after making such adjustments / restatement and regroupings as in our opinion are appropriate and are to be read in accordance with Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
7. We have examined the following regrouped / rearranged financial information relating to the Company Proposed to be included in this Draft offer Document / offer Document (“Offer Document”) as approved by the Board of Directors of the Company and attached to this report for the financial years / period ended on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.
8. We, M/s. Piyush J. Shah & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.

9. The report should not in any way be constructed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor this report be constructed as a new opinion on any of the financial statements referred to therein.
10. In our opinion, the above financial information contained in Annexure I to Annexure XXXV read with respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
11. This report is intended solely for the use of Management and for the inclusion in the offer Document in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.
12. **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;

 - a. In the case of “Restated statement of Assets and Liabilities” of the company as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.
 - b. In the case of the “Restated statement of Profit & Loss” of the profit of the company for the years / period ended on that date; and
 - c. In the case of “Restated statement of Cash Flow” of the cash flows of the Company for the years / periods ended on that date.

Annexure to the Restated Financial Statements

1. Significant Accounting Policies & Notes to Accounts as per Annexure IV
2. Restated Summary Statement of Accounting Ratios as per Annexure V
3. Restated Statement of Share Capital as per Annexure VI
4. Restated Statement of Reserves and Surplus as per Annexure VII
5. Restated Statement of Long Term Borrowings as per Annexure VIII
6. Restated Statement of Other long term Liabilities as per Annexure IX
7. Restated Statement of Long Term Provisions as per Annexure X
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10. Restated Statement of Other Current Liabilities as per Annexure XIII
11. Restated Statement of Short Term Provisions as per Annexure XIV
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13. Restated Statement of Deferred Tax Assets as per Annexure XVI
14. Restated Statement of Long Term Loans and Advances as per Annexure XVII
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16. Restated Statement of Trade Receivables as per Annexure XIX
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19. Restated Statement of Other Current Assets as per Annexure XXII
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28. Capitalization Statement as at 31st December, 2017 as per Annexure XXXI
29. Statement of Tax Shelters as per Annexure XXXII
30. Details of Related Party Transactions as Restated as per Annexure XXXII
31. Reconciliation of Restated Profit as per Annexure XXXIV
32. Restated Statement of Contingent Liability as per Annexure XXXV

For, Piyush J. Shah & Co.
Chartered Accountants
Firm Registration No.: 121172W

Name of Partner: Mr. Piyush J. Shah
Designation: Partner
Membership No.: 108670
Date: 05th May, 2018
Place: Ahmedabad

Annexure-I

Restated Statements of Assets & Liabilities

(Rs. in
Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Share capital	158.64	154.22	154.22	99.60	76.50
(b) Reserves and surplus	200.00	150.98	95.36	33.90	14.09
Sub-Total	358.64	305.20	249.58	133.50	90.59
2. Share application money pending allotment	-	-	-	-	-
Sub-Total	-	-	-	-	-
3. Non-current liabilities					
(a) Long-term borrowings	425.05	332.98	297.12	264.38	304.50
(b) Deferred tax liabilities (net)	-	-	-	-	-
(c) Other long term liabilities	4.20	-	-	-	-
(d) Long-term provisions	11.11	9.31	7.68	4.31	3.10
Sub-Total	440.36	342.29	304.80	268.69	307.60
4. Current liabilities					
(a) Short-term borrowings	667.35	555.73	481.89	395.73	256.11
(b) Trade payables	993.09	1166.72	809.31	536.10	492.03
(c) Other current liabilities	270.63	204.30	136.72	107.36	80.78
(d) Short-term provisions	51.89	37.71	32.05	24.69	28.24
Sub-Total	1982.96	1964.46	1459.97	1063.88	857.16
TOTAL	2781.96	2611.95	2014.35	1466.07	1255.35
II. ASSETS					
1. Non-current assets					
(a) (i) Fixed assets	486.63	462.13	376.20	335.04	287.76
(ii) Fixed assets under development	88.20	-	83.83	25.51	-
(b) Non-current investments	-	-	-	-	-
(c) Deferred tax assets (net)	6.24	3.46	4.45	2.11	1.18
(d) Long-term loans and advances	8.95	8.61	10.04	2.46	0.58
Sub-Total	590.02	474.20	474.52	365.12	289.52
2. Current assets					
(a) Current investments	-	-	-	-	-
(b) Inventories	1198.50	1212.07	844.84	677.08	532.98
(c) Trade receivables	738.06	661.80	548.12	329.74	372.67
(d) Cash and cash equivalents	14.32	90.18	23.33	10.10	7.48
(e) Short-term loans and advances	230.30	166.63	114.84	78.71	52.13
(f) Other current assets	10.76	7.07	8.70	5.32	0.57

Sub-Total	2191.94	2137.75	1539.83	1100.95	965.83
TOTAL	2781.96	2611.95	2014.35	1466.07	1255.35

Annexure-II

Restated Statement of Profit and Losses

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14
I. Revenue from operations	2282.78	3569.56	2603.33	2152.40	1855.48
II. Other income	6.09	7.88	1.78	0.97	0.18
III. Total (I + II)	2288.87	3577.44	2605.11	2153.37	1855.66
Total Revenue	2288.87	3577.44	2605.11	2153.37	1855.66
IV. Expenses:					
Cost of materials consumed	1787.88	2843.73	1968.37	1688.61	1555.38
Increase / (Decrease) in Inventories	(63.50)	(156.75)	(75.09)	(56.90)	(78.64)
Employee Benefit Expense	224.06	265.92	186.53	128.74	115.21
Financial Costs	83.82	106.56	87.12	74.21	53.63
Depreciation & Amortization Expense	42.52	48.40	25.21	25.33	15.06
Other Administration Expenses	155.25	381.47	367.31	273.35	174.50
Total expenses	2230.03	3489.33	2559.43	2133.34	1835.14
V. Profit before exceptional and extraordinary items and tax (III-IV)	58.84	88.11	45.68	20.03	20.52
VI. Exceptional items	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	58.84	88.11	45.68	20.03	20.52
VIII. Extraordinary Items-	-	-	-	-	-
IX. Profit before tax (VII-VIII)	58.84	88.11	45.68	20.03	20.52
X. Tax expense:					
(1) Current tax	18.17	31.51	16.93	6.98	7.61
(2) Deferred tax	(2.78)	0.98	(2.34)	(0.93)	(1.18)
(3) Current tax expense relating to prior years	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	43.44	55.62	31.09	13.98	14.09
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-

XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-
XV. Profit (Loss) for the period (XI + XIV)	43.44	55.62	31.09	13.98	14.09
XVI. Earnings per equity share:					
(1) Basic	1.34	1.72	1.03	0.55	0.58
(2) Diluted	1.34	1.72	1.03	0.55	0.58

Annexure-III

Restated Statement of Cash Flow

(Rs. in

Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>					
Restated Net profit Before Tax	58.84	88.11	45.68	20.03	20.52
Adjustments For:					
Depreciation	42.52	48.40	25.21	25.33	12.94
Profit or Loss on Sale of Fixed Assets	-	9.49	(0.99)	-	-
Interest Received	-	(0.26)	(0.10)	(0.02)	(0.17)
Rent Income	(5.90)	(6.00)	(0.62)	(0.62)	-
Net (gain) / loss on Foreign Exchanges	0.78	1.07	-	-	-
Interest and Finance Charges	83.82	106.56	87.12	74.12	53.63
Operating Profit before working capital changes	180.06	247.36	156.30	118.93	86.91
Adjustment For:					
Decrease/(Increase) in Inventories	13.57	(367.23)	(167.77)	(144.09)	(532.98)
Decrease/(Increase) in Trade receivables	(76.26)	(113.69)	(218.37)	42.92	(372.67)
Decrease/(Increase) in Short-term loans and advances	(63.67)	(51.79)	(36.13)	(26.58)	(52.13)
Decrease/(Increase) in Long Term Loans and Advances	(0.34)	1.43	(7.58)	(1.89)	(0.58)
Decrease/(Increase) in other current assets	(3.69)	1.62	(3.38)	(4.75)	(0.57)
Decrease/(Increase) in Trade Payables	(173.63)	357.41	273.20	44.08	492.03
Decrease/(Increase) in Other Current Liabilities	66.33	67.58	29.36	26.58	80.78
Decrease/(Increase) in long Term Provisions	1.80	1.63	3.37	1.21	3.10
Decrease/(Increase) in Short Term Provisions	3.01	(10.83)	8.87	(9.31)	29.88
Cash Generated from Operations	(52.82)	133.51	37.90	47.09	(266.23)
Taxes Paid	(7.00)	(15.00)	(9.00)	(4.09)	(9.25)
Net Cash From /(Used In) Operating Activities (A)	(59.82)	118.51	28.90	43.00	(275.48)
Cash Flow From Investing Activities					
Purchase of Fixed Assets or Capital Work In Progress	(155.22)	(133.87)	(138.14)	(95.26)	(300.70)
Proceeds from Fixed Assets	-	73.86	5.00	-	-
Decrease/(Increase) in Other long term Liabilities	4.20	-	-	-	-
Rent Received	5.90	6.00	0.62	0.62	-

Interest Received	-	0.26	0.10	0.02	0.17
Net Cash From /(Used In) Investing Activities (B)	(145.12)	(53.74)	(132.42)	(94.62)	(300.53)
Cash Flow From Financing Activities					
Interest and Finance Charges	(83.82)	(106.56)	(87.12)	(74.21)	(53.63)
Proceeds from Issue of Capital	10.00	-	84.98	28.94	76.50
(Decrease)/Increase in Short Term Borrowing	111.62	73.84	86.16	139.63	256.11
(Decrease)/Increase in Long Term Borrowing	92.07	35.86	32.74	(40.12)	304.50
Net gain / loss on Foreign Exchanges	(0.78)	(1.07)	-	-	-
Net Cash From Financing Activities (c)	129.08	2.07	116.75	54.23	583.49
Net Increase / (Decrease) in Cash (A)+(B)+(C)	(75.85)	66.84	13.24	2.62	7.48
Cash and Cash equivalents at the beginning of the year	90.18	23.33	10.10	7.48	-
Cash and Cash equivalents at the end of the year	14.32	90.18	23.33	10.10	7.48

Annexure-IV

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A. Corporate Information :

Latteys Industries Limited is engaged in the business of Manufacturing & Supply of pumps. The Factory is located at Plot No. 16, Phase 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat - 382 330 (India).

The Company has its own office in Delhi, Kanpur, Jaipur, Patna, Orissa and Bengal.

The Company's products adhere to high quality standards and it has got ISO 9001:2008 certifications.

B. Basis of Preparation :

The Restated Summary Statements of Assets and Liabilities of the Company as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014, and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014, (herein collectively referred to as "Restated Summary Statements) have been compiled by management from the financial statements of the company for the period ended on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.

The Restated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable, and the relevant provisions of the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. The Unconsolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used for the purpose of preparation of financial statements for the years / period ended on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.

Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filled by the company in connection with its proposed Initial Public Offering on Emerge platform of National Stock Exchange of India Limited.

Restated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared to comply in all material respect with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-Section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

C. Significant Accounting Policies :

a. Use of Estimates :

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

b. Fixed Assets :

Fixed Assets are stated at their acquisition cost less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use where applicable together with any incidental expenses of acquisition / installation. Cost of acquisition includes borrowing costs that are directly attributable to the acquisition / construction of qualifying assets.

c. Depreciation:

Depreciation on Fixed Assets has been provided on written down value method, on the cost of Fixed Assets as per the rates, provided in Schedule XIV of the Companies Act, 1956 till March 31, 2014, w.e.f. April 01, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013. Further, in case of addition, depreciation has been provided on pro-rata basis commencing from the date on which the asset is commissioned.

d. Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

e. Foreign Currency Transactions :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

f. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

g. Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

Gratuity:

Gratuity is payable as and when due as per AS - 15 "Employee Benefits", which has become mandatory. The quantum of Gratuity payable is worked out and the effect of the same is given on profit and loss account.

h. Taxation :

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act' 1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

i. Borrowing Cost :

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they are incurred.

j. Segment Reporting :

Considering the nature of Business and financial reporting of the company the company does not have more than one reportable segment as per the provisions of AS - 17 "Segment Reporting". Hence segment information is not provided.

k. Provisions and Contingent Liabilities :

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

l. Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

m. Inventories :

Inventories are valued at lower of cost or net realizable value. Inventories are taken as valued and certified by the management of the company.

n. Excise Duty :

Excise Duty is charged on ad-valorem basis and is accounted for when the goods are cleared from factory site.

o. Lease :

Operating Lease:

Rentals are expensed with reference to Lease term and other consideration.

ANNEXURE-V

RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS

(Rs. / No. of shares in Lakhs)

Ratio	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Basic Earnings per Share					
Restated PAT as per statement of profit and loss (Including Extra Ordinary Items)(B-1)	43.44	55.62	31.09	13.98	14.09
Restated PAT as per statement of profit and loss (Excluding Extra Ordinary Items)(B-2)	43.44	55.62	31.09	13.98	14.09
Weighted average number of equity shares at the end of the year/ period(C)	15.61	15.42	13.21	8.33	7.51
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves Prior to 31 December, 2017 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-	-	-
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves subsequent to 31 December, 2017 on account of Bonus Shares Issued to Existing Equity Shareholders	16.89	16.89	16.89	16.89	16.89
Weighted average number of equity shares considered for calculating basic EPS(C)	32.50	32.31	30.10	25.22	24.39
Share capital as at the end of the year	158.64	154.22	154.22	99.60	76.50
Earnings Per Share					
Basic & Diluted (Rs)* (Including Extra Ordinary Items)	1.34	1.72	1.03	0.55	0.58
Basic & Diluted (Rs)* (Excluding Extra Ordinary Items)	1.34	1.72	1.03	0.55	0.58

Net Asset value per Equity Share					
Net Worth , as Restated	358.64	305.20	249.58	133.50	90.59

No. of Equity Share Outstanding	15.86	15.42	15.42	9.96	7.65
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves Prior to 31 December, 2017 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-	-	-
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves subsequent to 31 December, 2017 on account of Bonus Shares Issued to Existing Equity Shareholders	16.89	16.89	16.89	16.89	16.89
No. of Equity Share Outstanding, Considered	32.75	32.31	32.31	26.85	24.54
Net Asset value per Equity Share	10.95	9.45	7.72	4.97	3.69

Return on net worth					
Net Profit after Tax As Restated (Including Extra Ordinary Items)	43.44	55.62	31.09	13.98	14.09
Net Profit after Tax As Restated (Excluding Extra Ordinary Items)	43.44	55.62	31.09	13.98	14.09
Net Worth , as Restated	358.64	305.20	249.58	133.50	90.59
Return on net worth (%) (Including Extra Ordinary Items)	12.11%	18.22%	12.46%	10.47%	15.56%
Return on net worth (%) (Excluding Extra Ordinary Items)	12.11%	18.22%	12.46%	10.47%	15.56%
Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00	10.00

Sub Notes:

1. The ratios have been Computed as per the following formulas:

i. Basic Earnings per Share

$$\frac{\text{Net Profit after tax, as restated for the year, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

ii. Net Asset Value (NAV)

$$\frac{\text{Net Asset Value, as restated, at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$$

iii. Return on Net Worth (%)

$$\frac{\text{Net Profit after tax, as restated for the year, attributable to equity shareholders}}{\text{Net worth as restated, at the end of the year}}$$

2. Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.
3. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.
4. After the years / periods under reporting in the Restated Financial Statement, company has allotted 102400 equity shares at Rs. 50.00/- per share, including Rs. 40.00/- per share towards securities premium on 04th January, 2018 and 1688833 Bonus Shares on 16th January, 2018.

ANNEXURE-VI

Restated Statement of Share Capital

1. Statement of Share Capital:

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Authorized					
Equity shares of RS. 10/- each	325.00	325.00	200.00	100.00	100.00
Issued , Subscribed and Fully paid up Capital	158.64	154.22	154.22	99.60	76.50

Terms/rights attached to equity shares:

- The company has only one class of Equity Shares having par value of Rs. 10/-per share. Each holder of Equity shares is entitled to one Vote per share.
- In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. Reconciliation of Shares outstanding at the beginning and at the end of the Period:

(No. of Shares)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
At the beginning of the period	1542183	1542183	996030	765030	-
Issued during the year	44250	-	546153	231000	765030
Outstanding at the end of the Period	1586433	1542183	1542183	996030	765030

3. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

(No. of Shares)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	-	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-	-	-
Aggregate number and class of shares bought back.	-	-	-	-	-

4. Details of Shareholders holding more than 5% shares in the company:

(No. of Shares)

Particulars	As at December 31, 2017	% of capital	As at March 31, 2017	% of capital	As at March 31, 2016
Name of Shareholders	Holding	31.12.17	Holding	31.03.17	Holding
Kapoor chand Garg	1458045	91.91%	1413795	91.67%	1420245
Pawan Garg	93835	5.91%	93835	6.08%	102588

Particulars	% of capital	As at March 31, 2015	% of capital	As at March 31, 2014	% of capital
Name of Shareholders	31.03.16	Holding	31.03.15	Holding	31.03.14
Kapoor chand Garg	92.09%	902195	90.58%	762530	99.67%
Pawan Garg	6.65%	93835	9.42%	2500	0.33%

ANNEXURE-VII

Restated Statement of Reserves and Surplus

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A. Security premium account					
Opening Balance	36.21	36.21	5.84	-	-
Add: Securities premium accounts credited on account of share issue	5.58	-	30.37	5.84	-
Less : Deletion for issue of Bonus Shares	-	-	-	-	-
Closing Balance	41.79	36.21	36.21	5.84	-
B. Profit loss account					
Opening Balance	114.77	59.15	28.06	14.09	-
Add: Net Profit/(Loss) for the year	43.44	55.62	31.09	13.98	14.09
Add: Depreciation	-	-	-	(0.01)	-
Closing Balance	158.21	114.77	59.15	28.06	14.09
Total (A+B)	200.00	150.98	95.36	33.90	14.09

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

Annexure VIII

Restated Statement of Long Term Borrowings

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A. From Banks (Secured)	299.35	145.24	123.10	92.15	97.35
Total	299.35	145.24	123.10	92.15	97.35
B. From Directors / Promoters					
Unsecured Loan from Director	20.64	0.37	0.37	32.92	27.95
Total	20.64	0.37	0.37	32.92	27.95
C. From Corporate					
Unsecured Loan from corporate	105.06	187.37	173.66	139.31	179.20
Total	105.06	187.37	173.66	139.31	179.20
Total (A+B+C)	425.05	332.98	297.12	264.38	304.50

1. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

Sub Note: 1

- i. Business Loan of Rs. 100.00/- Lakhs from HDFC Bank Limited is repayable in 60 months at the IRR of 9.25% per annum.
- ii. Business Loan of Rs. 87.75/- Lakhs from HDFC Bank Limited is repayable in 60 months at the rate of 9.25% per annum.
- iii. Business Loan of Rs. 30.00/- Lakhs from HDFC Bank Limited is repayable in 59 months at the rate of 9.25% per annum.
- iv. Business Loan of Rs. 33.60/- Lakhs of HDFC Bank Limited is repayable in 61 installments at the rate of 9.25% per annum.
- v. Auto Loan of Rs. 7.50/- Lakhs of HDFC Bank Limited is repayable in 60 installments at the rate of 9.50% per annum.
- vi. Auto Loan of Rs. 6.00/- Lakhs of HDFC Bank Limited is repayable in 60 installments at the rate of 9.85% per annum.
- vii. Business Loan of Rs. 50.00/- Lakhs of HDFC Bank Limited is repayable in 36 installments at the rate of 9.25% per annum.
- viii. Business Loan of Rs. 50.00/- Lakhs of HDFC Bank Limited is repayable in 48 installments at the rate of 9.25% per annum.
- ix. Business Loan of Rs. 150.00/- Lakhs of HDFC Bank Limited is repayable in 48 installments at the rate of 9.00% per annum.
- x. Business Loan of Rs. 100.00/- Lakhs of HDFC Bank Limited is repayable in 60 installments at the rate of 9.00% per annum.
- xi. Business Loan of Rs. 50.00/- Lakhs of Deutsche Bank is repayable in 88 installments at the rate of 9.25% per annum.

Sub Note: 2

The company has accepted unsecured long term loans at the rate of 12% amounting to Rs. 20.64/- from directors. The terms of repayment is not decided.

Sub Note: 3

The company has accepted unsecured long term loans at interest rate ranging from 8% to 12% amounting to Rs. 105.06/- from corporate. The terms of repayment is not decided.

Principal Terms and Conditions of Long Term Borrowings:

Type of Facility	As at 31 December, 2017	Rate of Interest	Repayment	Security
Business Loan - HDFC Bank Limited	18.31	9.25%	60 Equal monthly Installments	Refer Sub Note - 1 (i)
Business Loan - HDFC Bank Limited	56.73	9.25%	60 Equal monthly Installments	Refer Sub Note - 1 (ii)
Business Loan - HDFC Bank Limited	2.90	9.25%	59 Equal monthly Installments	Refer Sub Note - 1 (iii)
Business Loan - HDFC Bank Limited	11.64	9.25%	61 Equal monthly Installments	Refer Sub Note - 1 (iv)
Auto Loan - HDFC Bank Limited	4.92	9.50%	60 Equal monthly Installments	Refer Sub Note - 1 (v)
Auto Loan - HDFC Bank Limited	4.23	9.85%	60 Equal monthly Installments	Refer Sub Note - 1 (vi)
Business Loan - HDFC Bank Limited	25.41	9.25%	36 Equal monthly Installments	Refer Sub Note - 1 (vii)
Business Loan - HDFC Bank Limited	41.95	9.25%	48 Equal monthly Installments	Refer Sub Note - 1 (viii)
Business Loan - HDFC Bank Limited	144.76	9.00%	48 Equal monthly Installments	Refer Sub Note - 1 (ix)
Business Loan - HDFC Bank Limited	72.30	9.00%	60 Equal monthly Installments	Refer Sub Note - 1 (x)
Business Loan - Deutsche Bank	49.10	9.25%	88 Equal monthly Installments	Refer Sub Note - 1 (xi)

All the above mentioned secured loans are secured by way of Hypothecation of Plant & Machinery and/or Motor Car and/or Mortgage of immovable property of the company along with collateral security given by directors.

Annexure IX**Restated Statement of other long term liabilities****(Rs. in Lakhs)**

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Rent Deposits	4.20	-	-	-	-
Total	4.20	-	-	-	-

Annexure X

Restated Statement of Long Term Provisions

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Provisions for Employee Benefits	11.11	9.31	7.68	4.31	3.10
Total	11.11	9.31	7.68	4.31	3.10

Sub Note:

The company have provided for the gratuity based on AS-15 "Employee Benefits" as per actuarial valuation and it is not funded.

Annexure XI

Restated Statement of Short Term Borrowings

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<u>Loan Repayable on Demand</u>					
From Banks (Secured)					
Working Capital Loans	667.35	555.73	481.89	395.73	256.11
Total	667.35	555.73	481.89	395.73	256.11

Sub Note:

HDFC Bank Cash Credit outstanding as on December 31, 2017 is secured against hypothecation of stock with netting off of sundry creditors and Book Debts i.e. entire current assets (present and future) of the company including stock of raw material, stock in process, finished goods, consumables, receivables, stores, spares, at the rate of 9.00%.

Annexure XII

Restated Statement of Trade Payable

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Sundry Creditors for Goods	993.09	1166.72	809.31	536.10	492.03
Total	993.09	1166.72	809.31	536.10	492.03

Sub Note: 1

The company is not in position to identify the amount of balances due to MSME undertakings in absence of sufficient information from suppliers regarding their status as MSME undertakings.

Sub Note: 2

Sundry Creditors as on December 31, 2017 has been taken as certified by the management of the company and as mentioned in the report of Statutory Auditors.

Annexure XIII

Restated Statement of Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Sundry Creditors for Expenses	103.66	68.26	61.80	48.99	43.71
Advance from Customers	19.24	19.78	0.90	-	-
Current maturities of long term loans	132.89	83.80	41.41	36.79	23.40
Interest due on Deposits/Borrowings	12.52	22.11	22.31	17.13	8.80
Statutory Dues Payable	2.32	10.34	10.30	4.44	4.87
Total	270.63	204.30	136.72	107.36	80.78

1. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

Sub Note: 1

- i. Business Loan of Rs. 100.00/- Lakhs from HDFC Bank Limited is repayable in 60 months at the IRR of 9.25% per annum.
- ii. Business Loan of Rs. 87.75/- Lakhs from HDFC Bank Limited is repayable in 60 months at the rate of 9.25% per annum.
- iii. Business Loan of Rs. 30.00/- Lakhs from HDFC Bank Limited is repayable in 59 months at the rate of 9.25% per annum.
- iv. Business Loan of Rs. 33.60/- Lakhs of HDFC Bank Limited is repayable in 61 installments at the rate of 9.25% per annum.
- v. Auto Loan of Rs. 7.50/- Lakhs of HDFC Bank Limited is repayable in 60 installments at the rate of 9.50% per annum.
- vi. Auto Loan of Rs. 6.00/- Lakhs of HDFC Bank Limited is repayable in 60 installments at the rate of 9.85% per annum.
- vii. Business Loan of Rs. 50.00/- Lakhs of HDFC Bank Limited is repayable in 36 installments at the rate of 9.25% per annum.

- viii. Business Loan of Rs. 50.00/- Lakhs of HDFC Bank Limited is repayable in 48 installments at the rate of 9.25% per annum.
- ix. Business Loan of Rs. 50.00/- Lakhs of Deutsche Bank is repayable in 88 installments at the rate of 9.25% per annum.

Principal Terms and Conditions of Long Term Borrowings:

Type of Facility	As at 31 December, 2017	Rate of Interest	Repayment	Security
Business Loan - HDFC Bank Limited	18.31	9.25%	60 Equal monthly Installments	Refer Sub Note - 1 (i)
Business Loan - HDFC Bank Limited	56.73	9.25%	60 Equal monthly Installments	Refer Sub Note - 1 (ii)
Business Loan - HDFC Bank Limited	2.90	9.25%	59 Equal monthly Installments	Refer Sub Note - 1 (iii)
Business Loan - HDFC Bank Limited	11.64	9.25%	61 Equal monthly Installments	Refer Sub Note - 1 (iv)
Auto Loan - HDFC Bank Limited	4.92	9.50%	60 Equal monthly Installments	Refer Sub Note - 1 (v)
Auto Loan - HDFC Bank Limited	4.23	9.85%	60 Equal monthly Installments	Refer Sub Note - 1 (vi)
Business Loan - HDFC Bank Limited	25.41	9.25%	36 Equal monthly Installments	Refer Sub Note - 1 (vii)
Business Loan - HDFC Bank Limited	144.76	9.25%	48 Equal monthly Installments	Refer Sub Note - 1 (viii)
Business Loan - Deutsche Bank	49.10	9.25%	88 Equal monthly Installments	Refer Sub Note - 1 (ix)

Annexure XIV

Restated Statement of Short Term Provisions

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Payable to Government	8.79	13.05	4.78	5.28	(1.00)
Provision - Others					
- Provision for Gratuity	0.88	0.79	0.58	0.02	0.01
- Provision for Expenses	42.22	23.87	26.69	19.39	29.24
Total	51.89	37.71	32.05	24.69	28.24

Annexure XV

Restated Statement of Fixed Assets

(Rs. in Lakhs)

Particulars	Com puter	Buildi ng	Electri c Installa tion	Furni ture & Fittin g	Land	Motor Vehicl es	Office Equip ment	Plant & Machi nery	Total
Gross Block :									
As at April 1, 2013	-	-	-	-	-	-	-	-	-
Additions / (Deletion)	1.95	-	1.98	0.08	208.7 7	11.42	2.81	73.69	300.70
As at March 31, 2014	1.95	-	1.98	0.08	208.7 7	11.42	2.81	73.69	300.70
As at April 1, 2014	1.95	-	1.98	0.08	208.7 7	11.42	2.81	73.69	300.70
Additions / (Deletion)	1.03	-	0.08	1.08	15.54	-	0.79	51.22	69.74
As at March 31, 2015	2.98	-	2.06	1.16	224.3 1	11.42	3.60	124.91	370.44
As at April 1, 2015	2.98	-	2.06	1.16	224.3 1	11.42	3.60	124.91	370.44
Additions / (Deletion)	1.49	-	0.30	0.08	13.82	8.41	1.38	36.90	62.38
As at March 31, 2016	4.47	-	2.36	1.24	238.1 3	19.83	4.98	161.81	432.82
As at April 1, 2016	4.47	-	2.36	1.24	238.1 3	19.83	4.98	161.81	432.82
Additions / (Deletion)	2.52	105.0 1	5.59	7.19	(74.20)	-	3.86	84.36	134.33
As at March 31, 2017	6.99	105.0 1	7.95	8.43	163.9 3	19.83	8.84	246.17	567.15
As at April 1, 2017	6.99	105.0 1	7.95	8.43	163.9 3	19.83	8.84	246.17	567.15
Additions / (Deletion)	1.53	37.81	0.29	3.38	-	-	1.11	22.90	67.02
As at December 31, 2017	8.52	142.8 2	8.24	11.81	163.9 3	19.83	9.95	269.07	634.17
Accumulated Depreciation :									
As at April 1, 2013	-	-	-	-	-	-	-	-	-
Charge for the Year	0.37	-	0.17	0.01	-	2.96	0.32	9.11	12.94
As at March 31, 2014	0.37	-	0.17	0.01	-	2.96	0.32	9.11	12.94
As at April 1, 2014	0.37	-	0.17	0.01	-	2.96	0.32	9.11	12.94
Charge for the Year	1.56	-	0.61	0.08	-	2.87	1.64	18.57	25.33
Adjustment/(Del	-	-	-	-	-	-	0.01	(2.88)	(2.87)

etion)									
As at March 31, 2015	1.93	-	0.78	0.09	-	5.83	1.97	24.80	35.40
As at April 1, 2015	1.93	-	0.78	0.09	-	5.83	1.97	24.80	35.40
Charge for the Year	1.04	-	0.43	0.29	-	1.68	1.09	20.68	25.21
Adjustment/(Deletion)	-	-	-	-	-	(3.99)	-	-	(3.99)
As at March 31, 2016	2.97	-	1.21	0.38	-	3.52	3.06	45.48	56.62
As at April 1, 2016	2.97	-	1.21	0.38	-	3.52	3.06	45.48	56.62
Charge for the Year	1.96	3.34	1.40	1.14	-	5.16	2.33	33.07	48.40
As at March 31, 2017	4.93	3.34	2.61	1.52	-	8.68	5.39	78.55	105.02
As at April 1, 2017	4.93	3.34	2.61	1.52	-	8.68	5.39	78.55	105.02
Charge for the Year / Period	1.08	8.01	1.05	1.76	-	2.64	1.42	26.56	42.52
As at December 31, 2017	6.01	11.35	3.66	3.28	-	11.32	6.81	105.11	147.54
Net Block :									
As at March 31, 2014	1.58	-	1.81	0.07	208.77	8.46	2.49	64.58	287.76
As at March 31, 2015	1.05	-	1.28	1.07	224.31	5.59	1.63	100.11	335.04
As at March 31, 2016	1.50	-	1.15	0.86	238.13	16.31	1.92	116.33	376.20
As at March 31, 2017	2.06	101.67	5.34	6.91	163.93	11.15	3.45	167.62	462.13
As at December 31, 2017	2.51	131.47	4.58	8.53	163.93	8.51	3.14	163.96	486.63

Annexure XVI

Restated Statement of Deferred Tax Assets

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Deferred tax assets	6.24	3.46	4.45	2.11	1.18
Net deferred tax liability	6.24	3.46	4.45	2.11	1.18

Annexure XVII

Restated Statement of Long Term Loans and Advances

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Security Deposits Secured, considered good	8.95	8.61	10.04	2.46	0.58
Total	8.95	8.61	10.04	2.46	0.58

Annexure XVIII

Restated Statement of Inventories

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated)	728.91	805.98	595.50	502.82	415.63
	728.91	805.98	595.50	502.82	415.63
b. Work-in-progress (Valued at Cost or NRV unless otherwise stated)	-	-	-	-	-
	-	-	-	-	-
c. Finished goods (Valued at Cost or NRV unless otherwise stated)	469.59	406.09	249.35	174.25	117.35
	469.59	406.09	249.35	174.25	117.35
Total	1198.50	1212.07	844.84	677.08	532.98

Annexure XIX

Restated Statement of Trade Receivables

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period less than six months from the date they are due for payment.					
Secured, considered good	-	-	-	-	-
Unsecured, considered good	560.30	517.52	510.92	327.53	259.83
Unsecured, considered doubtful	-	-	-	-	-
	560.30	517.52	510.92	327.53	259.83

Less: Provision for doubtful debts	-	-	-	-	-
	560.30	517.52	510.92	327.53	259.83
Trade receivables outstanding for a period exceeding six months from the date they are due for payment					
Secured, considered good	-	-	-	-	-
Unsecured, considered good	177.76	144.28	37.19	2.21	112.84
Unsecured, considered doubtful	-	-	-	-	-
	177.76	144.28	37.19	2.21	112.84
Less: Provision for doubtful debts	-	-	-	-	-
	177.76	144.28	37.19	2.21	112.84
Total	738.06	661.80	548.12	329.74	372.67

Sub Note: 1

Sundry Debtors as on December 31, 2017 has been taken as certified by the management of the company and as mentioned in the report of Statutory Auditors.

Sub Note: 2

Sundry Debtors includes balance outstanding from related parties, as follows:

Name of related Party	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Latteys Sales India	-	-	-	-	151.96
Latteys Marketing Company	-	0.05	0.53	42.99	27.28

Annexure XX

Restated Statement of Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Balances with banks - Current A/c	-	76.28	4.24	4.55	5.22
Balances with banks - Fixed Deposit	1.19	1.19	0.24	0.24	0.22
Cash on hand	13.13	12.71	18.84	5.31	2.04
Total	14.32	90.18	23.33	10.10	7.48

Annexure XXI

Restated Statement of Short-term loans and advances

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A. Balances with government authorities					
(i) CENVAT / GST Receivables	-	100.13	72.01	54.89	34.49
(ii) GST Receivables	148.71	-	-	-	-
(iii) VAT Receivable / VAT Refund Receivable	81.31	66.16	38.22	23.66	17.44
	230.02	166.30	110.23	78.55	51.93
B. Others (specify nature)					
- Advance to others	0.28	0.33	4.61	0.16	0.20
Unsecured & Considered Good					
	0.28	0.33	4.61	0.16	0.20
C. Advances to Related Parties	-	-	-	-	-
Total (A+B+C)	230.30	166.63	114.84	78.71	52.13

Sub Note: 1

Balance with government authorities as on December 31, 2017 has been taken as certified by the management of the company and as mentioned in the report of Statutory Auditors.

Annexure XXII

Restated Statement of Other Current Assets

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Prepaid Expenses	0.07	0.61	0.49	0.14	0.57
Advance to Suppliers	6.46	3.45	7.59	5.18	-
Receivable from Others	4.23	3.02	0.62	-	-
Total	10.76	7.07	8.70	5.32	0.57

Annexure XXIII

Restated Statement of Revenue from operations

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY2016- 17	For the FY2015- 16	For the FY2014- 15	For the FY2013- 14
Sale of products					
Revenue from sale of products:- Mfg.					
Domestic Sales	2522.86	3760.32	2781.52	2270.86	1978.01
Export Sales (including against H Form)	-	63.73	-	-	-
Revenue from sale of products	2522.86	3824.06	2781.52	2270.86	1978.01
Less:					
Sales Return	19.57	23.97	14.29	-	-
Excise Duty / GST on Sales	220.51	230.53	163.90	118.46	122.53
	240.08	254.50	178.19	118.46	122.53
Revenue from sale of traded goods/services	-	-	-	-	-
Net revenue from operations	2282.78	3569.56	2603.33	2152.40	1855.48

Annexure XXIV

Restated Statement of Other Income

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY2016- 17	For the FY2015- 16	For the FY2014- 15	For the FY2013- 14
Income not related to Business and recurring					
Interest Income	-	0.26	0.10	0.02	0.17
Other non-operating income and recurring					
Rent Income	5.90	6.00	0.62	0.62	-
Sundry Balances Written Off	0.04	0.47	0.06	-	-
Other non-operating income and Non-recurring					
Drawback Income	-	1.12	-	-	-
Short Term Capital Gain	-	-	0.99	-	-
Miscellaneous Income	0.15	0.03	0.01	0.33	0.01

Total	6.09	7.88	1.78	0.97	0.18
% of Profit before tax	10.35	8.95	3.90	4.84	0.89

Annexure XXV

Restated Statement of Cost of Material Consumed

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY2016- 17	For the FY2015- 16	For the FY2014- 15	For the FY2013- 14
Inventory at the beginning					
Raw Material	805.98	595.50	502.82	415.63	441.08
Add: Purchase	1677.96	2984.49	2018.88	1742.06	1470.36
Add: Job Work Charges	32.85	69.72	42.16	33.74	59.57
Less: Inventory at the end					
Raw Material	728.91	805.98	595.50	502.82	415.63
Total	1787.88	2843.73	1968.37	1688.61	1555.38

Sub Note: 1

The cost of only material has been considered while deriving cost of material consumed, other ancillary cost has been considered under separate head under other expenses.

Annexure XXVI

Restated Statement of Changes in Inventories

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY2016- 17	For the FY2015- 16	For the FY2014- 15	For the FY2013- 14
Inventory at the end of the year					
Finished Goods	469.59	406.09	249.35	174.25	117.35
Work-In-Progress					
	469.59	406.09	249.35	174.25	117.35
Inventory at the beginning of the year					
Finished Goods	406.09	249.35	174.25	117.35	38.71

Work-In-Progress	-	-	-	-	-
	406.09	249.35	174.25	117.35	38.71
(Increase)/Decrease in Inventories					
Finished Goods	(63.50)	(156.75)	(75.09)	(56.90)	(78.64)
Work-In-Progress	-	-	-	-	-
Total	(63.50)	(156.75)	(75.09)	(56.90)	(78.64)

Annexure XXVII

Restated Statement of Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY2016- 17	For the FY2015- 16	For the FY2014- 15	For the FY2013- 14
Salaries and Wages					
Salary and wages	182.13	210.79	130.70	88.58	71.90
Gratuity Expenses	1.89	1.84	3.93	1.22	3.11
Director's Remuneration	28.80	38.40	38.40	24.00	24.00
Key man Insurance Policy Expenses	7.92	10.56	10.56	10.52	10.70
Staff welfare / Bonus Expenses	0.42	1.15	0.18	1.62	2.58
	221.16	262.74	183.76	125.93	112.29
Contribution to provident and other fund					
Contribution to provident and other funds for others	2.90	3.18	2.77	2.80	2.92
	2.90	3.18	2.77	2.80	2.92
Total	224.06	265.92	186.53	128.74	115.21

Annexure XXVIII

Restated Statement of Finance Cost

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY2016- 17	For the FY2015- 16	For the FY2014- 15	For the FY2013- 14
Interest Expenses	79.35	101.90	82.13	69.35	49.92
Other Borrowing cost including Bank Charges	4.47	4.66	4.99	4.86	3.70
Total	83.82	106.56	87.12	74.21	53.63

Annexure XXIX

Restated Statement of Depreciation & Amortization Expenses

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY2016- 17	For the FY2015- 16	For the FY2014- 15	For the FY2013- 14
Depreciation	42.52	48.40	25.21	25.33	12.94
Preliminary Expenses	-	-	-	-	2.12
Total	42.52	48.40	25.21	25.33	15.06

Annexure XXX

Restated Statement of Other Administration Expenses

(Rs. in Lakhs)

Particulars	For the period 01.04.2017 to 31.12.2017	For the FY2016- 17	For the FY2015- 16	For the FY2014- 15	For the FY2013- 14
Advertisement & Sales Promotion Expenses	13.37	32.95	66.12	71.03	27.04
Cash Defalcation	-	2.49	-	-	-
Commission Expenses	9.92	19.36	42.70	23.84	31.17
Conveyance, Fuel, Power & Diesel Expenses	13.60	19.00	12.38	12.49	9.61
Discount Expenses	11.17	24.91	16.67	12.51	0.77
Factory Expenses	7.23	9.72	3.85	3.59	3.05
Freight Expenses	28.29	41.53	36.46	21.13	8.31
Foreign Exchange Gain / Loss	0.78	1.07	-	-	-
Excise Duty Expenses on branch transfer	4.74	82.94	73.38	41.21	15.97
VAT Reversal Expenses	3.06	55.72	44.67	40.50	33.52
Indirect Duty related Expenses	-	1.12	1.22	0.08	4.62
Insurance Expenses	0.38	0.56	0.36	0.72	0.70

Legal & Professional Expenses	7.36	13.51	8.89	8.08	4.45
Loss on Sale of Fixed Assets	-	9.49	-	-	-
Miscellaneous Expenses	0.90	1.61	3.13	0.22	0.08
Municipal / Notified Area Tax	-	2.23	1.05	1.09	2.78
Office Expenses	4.90	6.24	3.75	2.91	0.44
Postal Expenses	0.14	0.23	0.13	0.26	0.22
Printing & Stationery Expenses	0.94	2.61	2.92	2.34	5.10
Rent Expenses	22.09	21.80	20.35	12.01	13.16
Repairs & Maintenance Expenses	4.39	14.32	9.07	8.14	1.90
Telephone Expenses	0.88	1.42	1.09	0.90	0.38
Travelling Expenses	21.11	16.65	19.12	10.30	11.23
Total	155.25	381.47	367.31	273.35	174.50

Annexure - XXXI

Capitalization Statement as at 31st December, 2017

(Rs. in Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term	800.24	800.24
Long-term (A)	557.94	557.94
Total debts (B)	1358.18	1358.18
Shareholders' funds		
Share capital	337.77	459.97
Reserve and surplus	72.53	756.85
Total shareholders' funds (C)	410.30	1216.82
Long term debt / shareholders' funds (A/C)	1.36	0.46
Total debt / shareholders' funds (B/C)	3.31	1.12

1. Short term debts represent debts which are due within 12 months from December 31, 2017.
2. Long term debts represent debts other than short term debts, as defined above.
3. After the years / periods under reporting in the Restated Financial Statement, company has allotted 102400 equity shares at Rs. 50.00/- per share, including Rs. 40.00/- per share towards securities premium on 04th January, 2018 and 1688833 Bonus Shares on 16th January, 2018, the same has been included in Pre Issue capital. Profit / (Loss) for the period after 31 December, 2017 has not been considered in Reserve and Surplus.

Annexure - XXXII

Statement of Tax Shelters

(Rs. in Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014

Profit before tax, as restated (A)	58.84	88.11	45.68	20.03	20.52
Tax Rate (%)	25.75	30.90	30.90	30.90	30.90
Adjustments :					
Permanent differences					
Expenses disallowed under Income Tax Act, 1961	4.02	13.06	2.34	0.99	0.28
Preliminary Expenses	(0.32)	(0.42)	(0.42)	(0.42)	1.70
Total permanent differences(B)	3.70	12.63	1.91	0.57	1.97
a. Rent Income	(5.90)	(4.20)	(0.43)	-	-
b. Short Term Capital Gain	-	-	(1.00)	-	-
c. Income from other sources	-	(0.26)	(1.61)	(0.02)	(0.18)
Income considered separately (C)	(5.90)	(4.46)	(3.04)	(0.02)	(0.18)
Timing differences					
Depreciation as per Books	42.52	48.40	25.21	25.33	12.94
Provision for Gratuity Expenses	1.89	1.84	3.93	1.22	3.11
Depreciation as per IT Act	(36.38)	(49.02)	(21.95)	(24.55)	(13.92)
Total timing differences (D)	8.03	1.22	7.19	2.00	2.13
Net adjustments E = (B+C+D)	5.83	9.39	6.06	2.55	3.93
Tax expense / (saving) thereon	1.50	2.90	1.87	0.79	1.21
Income from other sources/HP/CG (F)	5.90	4.46	3.04	0.02	0.18
Exempt Income (G)	-	-	-	-	-
Taxable income/(loss) (A+E+F-G+H)	70.57	101.96	54.78	22.60	24.62
Tax as per Normal Provision	18.17	31.51	16.93	6.98	7.61
Taxable income/(loss) as per MAT	58.84	88.11	45.68	20.03	20.52
Income tax as per MAT	12.00	17.96	8.70	3.82	3.91
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision

Note: Income Tax calculator available on Income tax website is calculating tax at the rate of 30% plus Education Cess for the Assessment Year 2018-19, even though the rate has been specified is 25% plus education cess for the companies having turnover below Rs. 50.00 Crores in the previous year. Therefore, we have considered 25% plus education cess and Higher Secondary Education Cess.

Annexure - XXXIII
Details of Related Party Transactions as Restated

(Rs. in Lakhs)

Name of the Party	Nature of Transaction	Amount of Transaction till December 31, 2017	Amount Outstanding as on 31.12.17 Payable/ (Receivable)	Amount of Transaction till March 31, 2017	Amount Outstanding as on 31.03.17 Payable/ (Receivable)	Amount of Transaction in 2015-16	Amount Outstanding as on 31.03.16 Payable/ (Receivable)	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 Payable/ (Receivable)	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 Payable/ (Receivable)
Pawan Garg	Director's Remuneration	14.40	-	19.20	-	19.20	-	12.00	-	12.00	-
	Long Term Borrowing	-	0.44	-	0.44	(10.50)	0.44	2.21	10.94	8.73	8.73
	Rent	1.50	-	2.20	-	3.14	-	-	-	-	-
	Interest	-	-	0.05	-	0.28	-	1.36	-	0.27	-
	Interest Payable	-	-	0.05	0.30	-	0.25	-	1.22	-	0.25
	Other Payable / (Receivable)	13.26	26.46	10.15	13.20	2.29	3.05	(1.96)	0.76	-	2.73
Kapoorch and Garg	Director's Remuneration	14.40	-	19.20	-	19.20	-	12.00	-	12.00	-
	Interest	-	-	0.02	-	0.70	-	4.25	-	2.74	-
	Interest Payable	-	-	0.02	0.65	-	0.63	-	3.82	-	2.47
	Rent	6.75	-	9.00	-	9.00	-	9.00	-	10.80	-

	Other Payable / (Receivable)	4.66	6.61	-	1.95	0.91	0.62	(2.68)	(0.29)	-	2.39
	Long Term Borrowing	20.27	20.20	-	(0.07)	(22.05)	(0.07)	2.76	21.98	19.22	19.22
Jawala Prasad Garg	Interest	9.55	-	3.43	-	4.54	-	2.57	-	-	-
	Interest Payable	2.38	9.55	3.08	7.17	1.78	4.09	2.31	2.31	-	-
	Salary	-	-	-	-	4.80	-	-	-	-	-
	Other Payable / (Receivable)	1.79	31.84	2.58	30.05	1.24	27.47	(13.48)	24.52	38.00	38.00
Saroj Garg	Interest	-	-	-	-	-	-	-	-	0.18	-
	Interest Payable	-	-	-	-	-	-	(0.16)	-	-	0.16
	Other Payable / (Receivable)	-	-	-	-	-	-	(0.50)	-	0.50	0.50
Kapoorch and Garg HUF	Other Payable / (Receivable)	-	6.83	-	6.83	(0.68)	6.83	4.50	7.51	3.01	3.01
	Interest	3.01	-	0.82	-	1.91	-	0.91	-	0.36	-
	Interest Payable	0.51	2.97	0.74	2.46	-	1.72	-	1.14	-	0.32
Latteys	Sales	-	-	-	-	-	-	-	-	294.60	-

Sales India											
	Sundry Debtors	-	-	-	-	-	-	(151.96)	-	-	151.96
Latteys Marketing Company	Sales	-	-	-	-	-	-	49.55	-	39.25	-
	Sundry Debtors	(0.05)	-	-	0.05	(42.46)	0.53	15.72	42.99	-	27.28
Lattice Engineering Private Limited	Rent	4.59	-	6.00	-	-	-	-	-	-	-
	Purchase	17.10	-	34.84	-	-	-	-	-	-	-
	Sundry Creditors	(5.61)	6.21	-	11.81	-	-	-	-	-	-
	Sales	-	-	29.00	-	-	-	-	-	-	-
	Sundry Debtors	-	4.22	-	-	-	-	-	-	-	-

Annexure - XXXIV

Reconciliation of Restated Profit

(Rs. in Lakhs)

Adjustments for	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Net profit/(loss) after tax as per audited statement of profit & loss	49.08	64.42	41.41	30.16	22.55
<u>Adjustments for:</u>					
Preliminary Expenses	-	-	-	-	(1.70)
Interest on duties & taxes directly adjusted in Reserves & Surplus	-	-	-	-	(1.48)
Key man Insurance Policy Expenses	(7.91)	(10.56)	(10.55)	(10.52)	(10.70)
Repair & Maintenance Expenses capitalized	-	-	(0.32)	(5.67)	-
Depreciation Expenses	(1.34)	0.20	(0.15)	(4.43)	0.61
Prior period Expenses	0.93	(0.47)	(0.69)	0.23	0.28
Effect of Deferred Tax	1.29	(3.35)	1.68	0.01	1.30
Excess / (Short) Provision for Tax	1.39	5.38	(0.29)	4.20	3.23
Net profit/ (loss) after tax as restated	43.44	55.62	31.09	13.98	14.09

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

Adjustments having impact on Profit

Sub Note: 1

The Company has adjusted preliminary and pre operative expenses through Reserves & Surplus for four years and for one year company has charged to Profit & Loss Account in the audited balance sheet while in the restated financial statements, the company has amortized total amount of preliminary and pre operative expenses in the financial year in which it has been incurred / has commenced business activity.

Sub Note: 2

Interest on duties and taxes directly adjusted against Reserves & Surplus instead of charging it to Profit & Loss account. The same has been charged to Profit and Loss account.

Sub Note: 3

Insurance premium paid for Key Managerial Personnel has been shown as Non current investment and no effect has been given on the Profit & Loss account even though there is no future economic benefit flowing to the company. Therefore, the same has been charged to Profit & Loss account.

Sub Note: 4

Repair and Maintenance Expenses on Tools and Machine has been capitalized instead of charging it to Profit & Loss account. The same has been charged to Profit & Loss account.

Sub Note: 5

Depreciation has not been charged based on the useful life given under the companies Act, 2013. Therefore the same has been rectified by adopting useful life given under the companies Act, 2013 from 01st April, 2014.

Sub Note: 6

Prior period expenses charged to relevant financial year / period.

Sub Note: 7

The effect of Deferred Tax has been provided as per Accounting Standard -22 "Accounting for Taxes on Income".

Sub Note: 8

The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

To give explanatory notes regarding adjustments

Adjustments having no impact on Profit Material Regrouping

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES IN LAST THREE YEARS:

Not Applicable

**Annexure - XXXV
Restated Statement of Contingent Liability**

Particulars	(Rs. In Lakhs)				
	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Nil					

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which have been included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements for the years ended March 31, 2017, 2016, 2015, and period ended December 31, 2017 including the related notes and reports, included in this Prospectus have been prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years and period ended December 31, 2017. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 17 and 16, respectively, and elsewhere in this Prospectus.

Our FY ends on March 31 of each year. Accordingly, all references to a particular FY are to the 12 months ended March 31 of that year.

OVERVIEW

Our Company is in the business of manufacturing of pumping solutions for homes, agriculture & industrial sectors. Pumps includes Submersible, Self-Priming, Centrifugal, Shallow and Horizontal Pumps. Our Company manufactures more than 700 models of pumps as its portfolio. These pumps are widely used by Domestic and Industrial sectors. The pumps are manufactured and sold wholly in India. We pioneer in manufacturing Submersible pumps. The Company started manufacturing in year 2004 in Chatraal, Gujarat and moved to a strategic location of GIDC Naroda, Gujarat with an area of 5,718 sq. meters in the year 2011. The Company currently has an installed production capacity of approx. 1,59,500 pumps p.a. The manufacturing facilities are equipped with requisite machineries to keep a constant check on quality. The Company is an ISO 9001:2015 and IS 14220:1994 certified company certifying the quality of the product our Company manufactures.

Our Company manufactures pumps of various sizes, structures, technicalities which forms the deciding factor for the uses and pricing of the product. We require raw materials like EC Grade, winding wire and cable, stainless steel pipe, electrical sheet stamping, etc. which are procured from various industries from Domestic market. We have a dedicated team of engineers which continuously looks for improving the design, purpose and quality of the pumps we manufacture. Our customers are mostly dealers and direct users. Our relationship with our wide reach of dealers and esteemed customer base are key factors for our success in the industry.

Our Company is promoted and managed by Mr. Kapoor Chand Garg and Mr. Pawan Garg. Our Promoters are actively and fully involved in the day-to-day affairs of our Company's operations. They have more than a decade of experience in the pumps industry. Under the leadership of the Promoters, our Company has seen consistent growth both in operations and financial performance.

Our presence in the business for more than a decade have created a brand image which is also the effort of the industry experience we have, our brand is well received by the market and we shall continue to strengthen our brand by supplying qualitative products at competitive prices in coming years

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows

- The members of our company approved proposal of Board of Directors to increase authorized capital of company from Rs. 325.00 lakhs to Rs. 500.00 Lakhs in the meeting held on January 01, 2018.
- The Board of our Company has approved to raise funds through initial public offering in the meeting held on January 04, 2018
- The members of our company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on January 08, 2018.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 17 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Cost and availability of raw material
- Credit availability
- Technological changes
- Competition from existing and new entrants;
- General economic and demographic conditions;
- Changes in laws and regulations that apply to the industry in which operate;
- Absence in solar pump segment

SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

Fixed Assets:

Fixed Assets are stated at their acquisition cost less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use where applicable together with any incidental expenses of acquisition / installation. Cost of acquisition includes borrowing costs that are directly attributable to the acquisition / construction of qualifying assets.

Depreciation:

Depreciation on Fixed Assets has been provided on written down value method, on the cost of Fixed Assets as per the rates, provided in Schedule XIV of the Companies Act, 1956 till March 31, 2014, i.e. April 01, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013. Further, in case of addition, depreciation has been provided on pro-rata basis commencing from the date on which the asset is commissioned.

Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

Gratuity:

Gratuity is payable as and when due as per AS - 15 "Employee Benefits", which has become mandatory. The quantum of Gratuity payable is worked out and the effect of the same is given on profit and loss account.

Taxation:

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

Borrowing Cost:

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use

or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they are incurred.

Segment Reporting:

Considering the nature of Business and financial reporting of the company the company does not have more than one reportable segment as per the provisions of AS - 17 "Segment Reporting". Hence segment information is not provided.

Provisions and Contingent Liabilities:

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Inventories:

Inventories are valued at lower of cost or net realizable value. Inventories are taken as valued and certified by the management of the company.

Excise Duty:

Excise Duty is charged on ad-valorem basis and is accounted for when the goods are cleared from factory site.

Lease:

Operating Lease:

Rentals are expensed with reference to Lease term and other consideration.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations primarily comprises of revenue from sale of manufactured products such as submersible pumps, self-priming pumps, centrifugal pumps, shallow well pumps, pressure booster pumps and horizontal open well pumps.

Other Income: Our other income generally comprises of interest income, rent income, other miscellaneous income, etc.

Expenses

Our expenses comprise of cost of materials consumed, changes in inventories of finished goods, employee benefit expenses, finance costs, depreciation and amortisation expenses and other expenses.

Cost of materials consumed: Cost of materials consumed consist of consumption of raw material such as EC grade copper winding wire and cable, stainless steel pipe, stainless steel round bar, electrical sheet stamping, CI/SS castings, Impellers, etc.. It also includes job work charges.

Changes in Inventories of Finished goods: Change in Inventory of Finished goods consist of change in inventory at the beginning of the period and at the end of the period.

Employee benefit expense: Our employee benefit expenses mainly includes salary & wages, directors' remuneration, contribution to statutory funds, key man insurance policy, gratuity expenses, bonus, staff welfare expenses, etc.

Finance costs: Our finance costs generally comprise of interest expense and other borrowing cost.

Depreciation and amortisation expenses: Depreciation and amortisation expenses comprise of depreciation on tangible fixed assets.

Other expenses: Our other expenses comprise of advertisement & sales promotion expenses, commission expenses , conveyance, fuel, power & diesel expenses , discount expenses , factory expenses, freight expenses , excise duty expenses on branch transfer , vat reversal expenses , legal & professional expenses , rent expenses , repairs & maintenance expenses , travelling expenses, etc.

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit and loss for the financial years 2017, 2016, 2015 and for the period ended December 31, 2017 the components of which are also expressed as a percentage of total revenue for such periods:

(Rs. in Lakhs)

Particulars	For the period ended December 31, 2017	For the Year ended March 31,		
		2017	2016	2015
Total Revenue:				
Revenue from operations	2,282.78	3,569.56	2,603.33	2,152.40
As a % of Total Revenue	99.73%	99.78%	99.93%	99.96%
Other income	6.09	7.88	1.80	0.97
As a % of Total Revenue	0.27%	0.22%	0.07%	0.04%
Total Revenue	2,288.87	3,577.44	2,605.13	2,153.37
Expenses:				

Particulars	For the period ended December 31, 2017	For the Year ended March 31,		
		2017	2016	2015
Cost of material consumed	1,787.88	2,843.73	1,968.37	1,688.61
As a % of Total Revenue	78.11%	79.49%	75.56%	78.42%
Changes in inventories of finished goods	(63.50)	(156.75)	(75.09)	(56.91)
As a % of Total Revenue	(2.77)%	(4.38)%	(2.88)%	(2.64)%
Employee benefit expenses	224.07	265.92	186.52	128.74
As a % of Total Revenue	9.79%	7.43%	7.16%	5.98%
Finance costs	83.82	106.56	87.12	74.21
As a % of Total Revenue	3.66%	2.98%	3.34%	3.45%
Depreciation and amortization expense	42.52	48.40	25.21	25.32
As a % of Total Revenue	1.86%	1.35%	0.97%	1.18%
Other expenses	155.25	381.47	367.31	273.35
As a % of Total Revenue	6.78%	10.66%	14.10%	12.69%
Total Expenses	2,230.03	3,489.33	2,559.44	2,133.34
As a % of Total Revenue	97.43%	97.54%	98.25%	99.07%
Profit before exceptional, extraordinary items and tax	58.84	88.10	45.69	20.03
As a % of Total Revenue	2.57%	2.46%	1.75%	0.93%
Exceptional items	-	-	-	-
Profit before extraordinary items and tax	58.84	88.10	45.69	20.03
As a % of Total Revenue	2.57%	2.47%	1.75%	0.93%
Extraordinary items	-	-	-	-
Profit before tax	58.84	88.10	45.69	20.03
PBT Margin	2.57%	2.46%	1.75%	0.93%
Tax expense :				
(i) Current tax	18.17	31.51	16.93	6.98
(ii) Deferred tax	(2.78)	0.98	(2.33)	(0.93)
(iii) MAT Credit	-	-	-	-
Total Tax Expense	15.40	32.49	14.60	6.05
As a % of Total Revenue	0.67%	0.91%	0.56%	0.28%
Profit for the year/ period	43.44	55.62	31.09	13.98
PAT Margin	1.90%	1.55%	1.19%	0.65%

Review of Operations For the Period Ended December 31, 2017.

Total Revenue

Revenue from operations

Our Revenue from operations for the period ended December 31, 2017 amounted to Rs.2,282.78 lakhs which was primarily on account of revenue from sales of manufactured products such as submersible pumps, self-priming pumps, centrifugal pumps, shallow well pumps, pressure booster pumps and horizontal open well pumps.

Other income

Our Other income was Rs. 6.09 lakhs for the period ended December 31, 2017 which was on account of rent income, sundry balances written off and other miscellaneous income.

Total Expenses

Our Total expenses, excluding tax amounted to Rs. 2230.03 lakhs for the period ended December 31, 2017, which consisted of the following components

Cost of materials consumed

Our Cost of materials consumed for the period ended December 31, 2017 were Rs.1787.88 lakhs which was 78.11 % of our total revenue for the period ended December 31, 2017. This primarily consist of expenses on consumption of raw material such as EC grade copper winding wire and cable, stainless steel pipe, stainless steel round bar, electrical sheet stamping, CI/SS castings, Impellers, etc. It also included job work charges of Rs. 32.85 lakhs

Changes in inventories of finished goods

Our Changes in inventories of finished goods amounted to net increase of Rs 63.50 lakhs for the period ended December 31, 2017. This was attributable to the higher inventory of finished goods maintained by our Company.

Employee Benefit Expenses

Our employee benefit expenses for the period ended December 31, 2017 were Rs. 224.06 lakhs which primarily comprised of salary and wages to employees of Rs. 182.13 lakhs, gratuity expenses of Rs. 1.89 lakhs, directors' remuneration of Rs. 28.80 lakhs, key man insurance policy expenses of Rs. 7.92 lakhs, staff welfare/bonus expenses of Rs. 0.42 lakhs and contribution to provident and other fund of Rs. 2.90 lakhs. Our employee benefit expenses was 9.79 % of our total revenue for the period ended December 31, 2017.

Finance Cost

Our Finance cost for the period ended December 31, 2017 were Rs. 83.82 lakhs primarily consisting of interest expense of Rs. 79.35 lakhs and other borrowing costs of Rs. 4.47 lakhs. Our finance cost was 3.66 % of our total revenue for the period ended December 31, 2017.

Depreciation and Amortization Expenses

Our Depreciation and amortization expenses were Rs. 42.52 lakhs for the period ended December 31, 2017 comprising of depreciation on tangible fixed assets. Our depreciation and amortization expenses was 1.86 % of our total revenue for the period ended December 31, 2017.

Other expenses

Our other expenses for the period ended December 31, 2017 were Rs. 155.25 lakhs and comprised mainly of advertisement & sales promotion expenses, commission expenses, conveyance and fuel expenses, factory expenses, freight expenses, excise duty expenses on branch transfer, vat reversal expenses , legal & professional expenses , rent expenses and travelling expenses among others. Our other expenses were 6.78 % of our total revenue for the period ended December 31, 2017.

Profit before Tax

Our Profit before tax for the period ended December 31, 2017 was Rs. 58.84 lakhs which was 2.57 % of our total revenue.

Tax Expenses

Our tax expenses for the period ended December 31, 2017 was Rs.15.40 lakhs. This was on account of current tax of Rs. 18.17 lakhs and netted off by deferred tax credit of Rs. 2.78 lakhs.

Profit after Tax

Due to above mentioned reasons, our Profit after tax for the period ended December 31, 2017 was Rs.43.44 lakhs which was 1.90 % of our total revenue.

FINANCIAL YEAR 2016-17 COMPARED WITH FINANCIAL YEAR 2015-16

Total Revenue

Our total revenue increased by 37.32 % to Rs. 3577.44 lakhs for the financial year 2016-17 from Rs.

2605.13 lakhs for the financial year 2015-16 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 37.12 % to Rs. 3569.56 lakhs for the financial year 2016-17 from Rs. 2603.33lakhs for the financial year 2015-16. The increase was due to increase in demand of our products and certain export business undertaken by our Company. Our revenue from domestic market increased by Rs 902.50lakhs. Our export revenue for the fiscal 2016-17 was Rs 63.73 lakhs as compared to nil in fiscal 2015-16.

Other income: Our other income increased by 338.19 % to Rs. 7.88 lakhs for the financial year 2016-17 from Rs.1.80 lakhs for the financial year 2015-16. This was mainly due to increase in rent income by Rs. 5.38 lakhs, duty draw back income by Rs 1.12 lakhs, interest income by Rs. 0.15 lakhs, sundry balance written back of Rs. 0.41 lakhs, miscellaneous income by Rs. 0.02 lakhs netted off by decrease in short term capital gain of Rs. 0.99 lakhs.. The increase in rent income was primarily because our Company let out its property to its group company Lattice Engineering Private Ltd in the year of 2016-17.

Total Expenses

Our total expenses increased by 36.33% to Rs. 3489.33 lakhs for the financial year 2016-17 from Rs.2559.44 lakhs for the financial year 2015-16, due to the factors described below:

Cost of material consumed: Our cost of material consumed increased by 44.47 % to Rs. 2843.73 lakhs for the financial year 2016-17 from Rs. 1968.37 lakhs for the financial year 2015-16 .The increase is much in line with the increase in revenue. The other difference is due to material used in manufacturing of finished goods. Our Stock of finished goods has also increased in the period

Changes in inventory of finished goods: Our inventory of finished goods changed by 108.74 % to Rs. (156.75) lakhs for the financial year 2016-17 as against Rs. (75.09) lakhs for the financial year 2015-16. This was primarily due to higher level of closing stock maintained at the end of FY 2016-17 as against FY 2015-16.

Employee benefits expenses: Our employee benefit expenses increased by 42.57 % to Rs. 265.92 lakhs for the financial year 2016-17 from Rs. 186.52 lakhs for the financial year 2015-16. The increase was mainly due to increase in salary & wages by Rs. 80.10 lakhs, staff welfare expenses by Rs. 0.96 lakhs and contribution to provident and other fund by Rs 0.41 lakhs. However, the increase was offset by decrease in gratuity expense by Rs. 2.09 lakhs the financial year 2016-17. Increase in our salary & wages was mainly due to increase in salaries and wages of employees which was driven by increase in operation of the Company.

Finance costs: Our finance costs increased by 22.31% to Rs. 106.56lakhs for the financial year 2016-17 from Rs. 87.12 lakhs for the financial year 2015-16. The increase was mainly on account of increase in interest expense by Rs 19.77 lakhs which was netted of by decrease in other borrowing costs by Rs. 0.33 lakhs. Increase in interest expense was primarily due to increase in utilization of our short term borrowings and long term borrowings. Our long term borrowings (excluding current maturities of long term debt) increased from Rs 297.12 lakhs in the financial year 2015-16 to Rs 332.98 lakhs in the financial year 2016-17 and our short term borrowings has increased from Rs 481.89 lakhs in the financial year 2015-16 to Rs 555.73 lakhs in the financial year 2016-17.

Depreciation and amortisation expense: Our depreciation and amortization expense increased by 92.01 % to Rs. 48.40 lakhs for the financial year 2016-17 from Rs. 25.21 lakhs for the financial year 2015-16. Our gross block increased to Rs 567.16 lakhs in the financial year 2016-17 from Rs 432.83 lakhs in the financial year 2015-16.

Other expenses: Our other expenses increased by 3.86 % to Rs. 381.47 lakhs for the financial year 2016-17 from Rs.367.31 lakhs for the financial year 2015-16. The increase was mainly due to increase in conveyance, fuel, power & diesel expenses by Rs 6.62 lakhs, discount expense by Rs 8.24 lakhs, factory expense by Rs 5.87 lakhs, freight expenses by Rs 5.08 lakhs, excise duty expenses on branch transfer by Rs 9.56 lakhs, VAT reversal expenses by Rs 11.05 lakhs, legal and professional expenses by Rs 4.62 lakhs and loss on sale of fixed assets by Rs 9.49 lakhs among others in the financial year 2016-17. However, the increase was offset by decrease in advertisement and sales

promotion expenses by Rs 33.18 lakhs, commission expenses by Rs 23.35 lakhs and travelling expenses by Rs 2.47 lakhs among others in the financial year 2016-17.

Profit before tax: Our profit before tax increased by 92.84 % to Rs. 88.10 lakhs for the financial year 2016-17 from Rs. 45.69 lakhs for the financial year 2015-16. The increase was mainly due to increase in our business operations.

Tax expenses: Our tax expenses increased to Rs. 32.49 lakhs for the financial year 2016-17 from Rs.14.60 lakhs for the financial year 2015-16 which was due to increase in current tax expense by Rs 14.51 lakhs and decrease in deferred tax benefit by Rs. 3.32 lakhs in the financial year 2016-17.

Profit after tax: Our profit after tax increased to Rs. 55.62 lakhs for the financial year 2016-17 from Rs.31.09 lakhs for the financial year 2015-16 due to reasons mentioned above.

FINANCIAL YEAR 2015-16 COMPARED WITH FINANCIAL YEAR 2014-15

Total Revenue

Our total revenue increased by 20.98 % to Rs. 2605.13 lakhs for the financial year 2015-16 from Rs. 2153.37 lakhs for the financial year 2014-15 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 20.95 % to Rs. 2603.33 lakhs for the financial year 2015-16 from Rs. 2152.40 lakhs for the financial year 2014-15. The increase was primarily due to increase in demand of our products.

Other income: Our other income increased by 85.61 % to Rs. 1.80 lakhs for the financial year 2015-16 from Rs.0.97 lakhs for the financial year 2014-15. The increase was mainly due to receipt of short term capital gain of Rs 0.99 lakhs offset by decrease in miscellaneous income of Rs. 0.31 lakhs among others.

Total Expenses

Our total expenses increased by 19.97% to Rs. 2559.44 lakhs for the financial year 2015-16 from Rs.2133.34 lakhs for the financial year 2014-15, due to the factors described below:

Cost of material consumed: Our cost of material consumed increased by 16.57 % to Rs. 1968.37 lakhs for the financial year 2015-16 from Rs. 1688.61 lakhs for the financial year 2014-15. This was mainly due to increase in our business operations.

Changes in inventory of finished goods: Our inventory of finished goods changed by 31.96 % to Rs. (75.09) lakhs for the financial year 2015-16 as against Rs. (56.91) lakhs for the financial year 2014-15. This was primarily due to higher level of closing stock maintained at the end of FY 2015-16 as against FY 2014-15

Employee benefits expenses: Our employee benefit expenses increased by 44.88 % to Rs. 186.52 lakhs for the financial year 2015-16 from Rs. 128.74 lakhs for the financial year 2014-15. The increase was mainly due to increase in salary & wages by Rs. 42.12lakhs, directors' remuneration by Rs 14.40 lakhs and gratuity expenses by 2.71 lakhs among others. However, the increase was offset by decrease in staff welfare expenses by Rs 1.43 lakhs and contribution to statutory funds by Rs. 0.04 lakhs. Increase in our salary & wages was mainly due to increase in our salary & wages was mainly due to increase in salaries and wages of employees which was driven by increase in operation of the Company.

Finance costs: Our finance costs increased by 17.40 % to Rs. 87.12 lakhs for the financial year 2015-16 from Rs. 74.21 lakhs for the financial year 2014-15. The increase was mainly on account of increase in interest expense by Rs 12.78 lakhs and increase in borrowing cost by Rs. 0.13 lakhs. Increase in interest expense was primarily due to increase in utilization of our short term borrowings and long term borrowings. Our long term borrowings (excluding current maturities of long term debt) has increased from Rs 264.38 lakhs in the financial year 2014-15 to Rs 297.12 lakhs in the financial year 2015-16 and our short term borrowings has increased from Rs 395.73 lakhs in the financial year 2014-15 to Rs 481.89 lakhs in the financial year 2015-16.

Depreciation and amortisation expense: Our depreciation and amortization expense decreased by 0.46 % to Rs. 25.21 lakhs for the financial year 2015-16 from Rs. 25.32

lakhs for the financial year 2014-15.

Other expenses: Our other expenses increased by 34.37% to Rs. 367.31lakhs for the financial year 2015-16 from Rs. 273.35 lakhs for the financial year 2014-15. The increase was mainly due to increase in commission expense by Rs. 18.86 lakhs, freight expenses by Rs. 15.32 lakhs, excise duty expenses on branch transfer by Rs. 32.17 lakhs, discount expenses by Rs. 4.15 lakhs, VAT reversal expenses by Rs 4.17 lakhs, travelling expenses by Rs 8.82 lakhs and Rent expenses by Rs 8.35 lakhs among others in the financial year 2015-16. The increase was partially offset by decrease in advertisement and sales promotion expenses by Rs. 4.90 lakhs among others.

Profit before tax: Our profit before tax increased by 128.09% to Rs. 45.69 lakhs for the financial year 2015-16 from Rs. 20.03 lakhs for the financial year 2014-15. The increase was mainly due to increase in our business operations.

Tax expenses: Our tax expenses increased to Rs. 14.60 lakhs for the financial year 2015-16 from Rs. 6.05 lakhs for the financial year 2014-15 which was due to increase in current tax expense by Rs 9.95 lakhs and decrease in deferred tax benefit by Rs. 1.41 lakhs in the financial year 2015-16.

Profit after tax: Our profit after tax increased to Rs. 31.09 lakhs for the financial year 2015-16 from Rs.13.98 lakhs for the financial year 2014-15 due to reasons mentioned above.

Other Key Ratios

The table below summarises key ratios from our Restated Financial Statements for the financial years ended March 31, 2017, 2016, 2015 and for the period ended December 31, 2017:

Particulars	For the period ended December 31, 2017	For the year ended March 31,		
		2017	2016	2015
Fixed Asset Turnover Ratio	4.69*	7.72	6.92	6.42
Debt Equity Ratio	3.41	3.18	3.29	5.22
Current Ratio	1.11	1.09	1.05	1.03
Inventory Turnover Ratio	1.87*	3.47	3.42	3.56

* Not Annualized

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total net fixed assets, based on Restated Financial Statements. However fixed assets under development is not considered for the calculation of such ratio.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Inventory Turnover Ratio: This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Financial Information.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years 2017, 2016, 2015 and for the period ended December 31, 2017:

(Rs. in lakhs)

Particulars	For the period ended December 31, 2017	For the year ended March 31,		
		2017	2016	2015
Net cash (used in)/ generated from operating activities	(59.82)	118.51	28.91	43.01
Net cash (used in)/ generated from investing activities	(145.12)	(53.74)	(132.43)	(94.63)
Net cash (used in)/ generated from financing activities	129.08	2.07	116.75	54.23
Net increase/ (decrease) in cash and cash equivalents	(75.86)	66.85	13.24	2.62
Cash and Cash Equivalents at the beginning of the period	90.18	23.33	10.10	7.48
Cash and Cash Equivalents at the end of the period	14.32	90.18	23.33	10.10

Operating Activities

Nine months Period Ended December 31, 2017

Our net cash used in operating activities was Rs.59.82 lakhs for period ended December 31, 2017. Our operating profit before working capital changes was Rs.180.35 lakhs for the period ended December 31, 2017 which was primarily adjusted by income tax paid of Rs 7.00 lakhs, decrease in inventory by Rs 13.57 lakhs, increase in trade receivables by Rs.76.26 lakhs, increase in short term loans and advances by Rs 63.67 lakhs, increase in long term loans and advances by Rs 0.35 lakhs, increase in other current assets by Rs 3.69 lakhs, decrease in trade payables by Rs. 173.63 lakhs, increase in other current liabilities by Rs. 63.33 lakhs, increase in long term provisions by Rs. 1.80 lakhs and increase in short term provision by Rs 2.72 lakhs.

Financial year 2016-17

Our net generated cash from operating activities was Rs. 118.51 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 247.37 lakhs for the financial year 2016-17, which was primarily adjusted by income tax paid of Rs 15.00 lakhs, increase in inventory by Rs367.23 lakhs, increase in trade receivables by Rs. 113.69lakhs, increase in short term loans and advances by Rs 51.79 lakhs, decrease in long term loans and advances by Rs 1.44 lakhs, decrease in other current assets by Rs 1.62 lakhs, increase in trade payables by Rs. 357.41 lakhs, increase in other current liabilities by Rs.67.58 lakhs, increase in long term provisions by Rs. 1.63 lakhs and decrease in short term provision by Rs 10.84 lakhs.

Financial year 2015-16

Our net cash generated from operating activities was Rs. 28.91 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 156.30 lakhs for the financial year 2015-16, which was primarily adjusted by income tax paid of Rs 9.00 lakhs, increase in inventory by Rs 167.77 lakhs, increase in trade receivables by Rs. 218.37 lakhs, increase in short term loans and advances by Rs 36.13 lakhs, increase in long term loans and advances by Rs 7.58 lakhs, increase in other current assets by Rs 3.38 lakhs, increase in trade payables by Rs. 273.20 lakhs, increase in other current liabilities by Rs. 29.36 lakhs, increase in long term provisions by Rs. 3.37 lakhs and increase in short term provision by Rs 8.89 lakhs.

Financial year 2014-15

Our net cash generated from operating activities was Rs. 43.01 lakhs for the financial year 2014-15. Our operating profit before working capital changes was Rs. 118.93 lakhs for the financial year 2014-15, which was primarily adjusted by income tax paid of Rs 4.09 lakhs, increase in inventory by Rs 144.10 lakhs, decrease in trade receivables by Rs. 42.93 lakhs, increase in short term loans and

advances by Rs 26.58 lakhs, increase in long term loans and advances by Rs 1.89 lakhs, increase in other current assets by Rs 4.75 lakhs, increase in trade payables by Rs. 44.08 lakhs, increase in other current liabilities by Rs. 26.58 lakhs, increase in long term provisions by Rs. 1.21 lakhs and decrease in short term provision by Rs 9.31 lakhs.

Investing Activities

Nine months Period Ended December 31, 2017

Net cash used in investing activities was Rs.145.12 lakhs for the period ended December 31, 2017. This was primarily on account of purchase of fixed assets of Rs. 155.22 lakhs which was offset by rent income of Rs 5.90 lakhs and decrease in other long term liabilities by Rs 4.20 lakhs.

Financial year 2016-17

Net cash used in investing activities was Rs. 53.74 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets of Rs. 133.86 lakhs which was offset by rent income of Rs 6.00 lakhs, income from sale of fixed assets of Rs 73.86 lakhs and interest income of Rs 0.26 lakhs.

Financial year 2015-16

Net cash used in investing activities was Rs. 132.43 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets of Rs. 138.16 lakhs which was offset by rent income of Rs 0.62 lakhs, income from sale of fixed assets of Rs 5.00 lakhs and interest income of Rs 0.11 lakhs.

Financial year 2014-15

Net cash used in investing activities was Rs. 94.63 lakhs for the financial year 2014-15. This was primarily on account of purchase of fixed assets of Rs. 95.27 lakhs which was offset by interest income Rs. 0.02 lakhs and rent income of Rs 0.62 lakhs.

Financing Activities

Nine months Period Ended December 31, 2017

Net cash generated from financing activities for the six months period ended December 31, 2017 was Rs.129.08 lakhs primarily consisting of finance charges of Rs 83.82 lakhs, proceeds from issue of equity share capital of Rs 10.00 lakhs, proceeds from short term borrowing of Rs 111.61 lakhs, proceeds from long term borrowings of Rs. 92.07 lakhs and foreign exchange loss of Rs 0.78 lakhs.

Financial year 2016-17

Net cash generated from financing activities for the financial year 2016-17 was Rs. 2.07 lakhs primarily consisting of finance charges of Rs 106.56 lakhs, proceeds from short term borrowing of Rs 73.84 lakhs, proceeds from long term borrowings of Rs. 35.86 lakhs and foreign exchange loss of Rs 1.07 lakhs.

Financial year 2015-16

Net cash generated from financing activities for the financial year 2015-16 was Rs. 116.75 lakhs primarily consisting of finance charges of Rs 87.12 lakhs, proceeds from issue of equity share capital of Rs 84.98 lakhs, proceeds from short term borrowing of Rs 86.16 lakhs and proceeds from long term borrowings of Rs. 32.74 lakhs.

Financial year 2014-15

Net cash generated from financing activities for the financial year 2014-15 was Rs. 54.23 lakhs primarily consisting of finance charges of Rs 74.21 lakhs, proceeds from issue of equity share capital of Rs 28.94 lakhs, proceeds from short term borrowing of Rs 139.63 lakhs and repayment of long term borrowings of Rs. 40.12 lakhs

Financial Indebtedness

As on December 31, 2017, the total outstanding borrowings of our Company aggregated to Rs 1125.29 lakhs which includes long-term borrowings of Rs. 425.05 lakhs, short-term borrowings of Rs. 667.35 lakhs and current maturities of long term debt of Rs.132.89 lakhs. For further details, refer chapter titled “*Financial Indebtedness*” beginning on page 197 of this Prospectus.

(Rs. in lakhs)

Particulars	As at December 31, 2017
Long Term Borrowings	
<i>Secured</i>	
- Banks	299.35
<i>Unsecured</i>	
- Loan From Directors	20.64
- Loan from others	105.06
Sub Total (A)	425.05
Short Term Borrowings	
<i>Secured</i>	
- Cash Credit	667.35
Sub Total (B)	667.35
Current Maturities of Long Term Borrowings (C)	132.89
Total (A)+(B)+(C)	1125.29

In the event, any of our lenders declare an event of default, this could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, loans& advances given,taken and Issue of Equity Shares, etc.. For further details of such related parties under AS18, refer chapter titled “*Financial Statements*” beginning on page 181 of this Prospectus.

Contingent Liabilities

As on December 31, 2017 and March 31, 2017 are Company is not having any contingent liability as per restated audited financials.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 181 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 181 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company during the period April 1, 2015 up to December 31, 2017.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals and for the period ended December 31, 2017.

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 17 of this Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled “*Risk Factors*” beginning on page 17 of this Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled “*Risk Factors*” beginning on page 17 of this Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial year’s are as explained in the part “*Financial Year 2016-17 compared with financial year 2015-17 and Financial Year 2015-16 Compared with Financial Year 2014-15*” above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our Company is operating only in one segment, thus segment reporting is not applicable

Competitive Conditions

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the pump industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “Risk Factors” beginning on page 17 of this Prospectus.

Increase in income

Increases in our income are due to the factors described above in in this chapter.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Suppliers or Customers

Significant proportion of our revenues have historically been derived from a limited number of customers The % of Contribution of our Company’s customer and supplier vis a vis the total revenue from operations and total raw material purchases respectively as March 31, 2017 & December 31, 2017 is as follows:

Particulars	Customers		Suppliers	
	March 31, 2017	December 31, 2017	March 31, 2017	December31, 2017
Top 5 (%)	78.62%	61.75%	21.38%	21.19%
Top 10 (%)	85.43%	67.95%	34.09%	35.03%

Seasonality of Business

The nature of business is not seasonal.

FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on December 31, 2017, our Company has total outstanding secured borrowings from banks aggregating to 1100.21 Lakhs.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of December 31, 2017:

Category of Borrowing	Sanctioned Amount (` in Lakhs)	Outstanding Amount* (` in Lakhs)
Term Loan	651.35	423.10
Working Capital Fund Based	650.00	667.35
Working Capital Non Fund Based	50.00	-
Total Working Capital Limit	700.00	667.35
Total Vehicle Loans	13.50	9.76

**inclusive of current maturities*

Principal terms of the borrowings availed by us from banks:

Interest:

In terms of the loans availed by our Company, the interest rate is typically the base rate of a specified lender and spread per annum, subject to a minimum interest rate. The spread varies between different loans. The interest rate for the loans availed by our Company ranges from 9.00% per annum to 9.85% per annum.

Tenor/Re-payment:

The working capital facilities are typically repayable on demand. The repayment period of the term loans availed by our Company typically ranges between 36 to 60 equal monthly installments. The repayment of Vehicle Loan is to be made in 60 equal monthly installments.

Security:

1. Primary Security:

In terms of our borrowings where security needs to be created, our Company is typically required to:

- a) Create hypothecation by way of first and exclusive charge on all present and future stocks and book debts.
- b) Create hypothecation by way of first and exclusive charge on all present and future Plant and Machinery

2. Collateral Security:

Equitable mortgage of the property mentioned below:

- a) Plot No. 16, Phase ½, G.I.D.C. Estate, Naroda, Ahmedabad-382330, India admeasuring 35000sq. ft. owned by M/s. Latteys Industries, Prop. Kapoor Chand Garg which is currently used by the Company.
- b) Plot No. 625, Phase-4, G.I.D.C. Estate, Naroda, Ahmedabad-382330, India, admeasuring 2468 sq. mtr., owned by Latteys Industries Limited erstwhile known as Latteys Pumps Industries Private Limited.

3. Guarantors: Personal Guarantee of Directors, shareholders holding atleast 75% of the shares and collateral security owners.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company.

Restrictive Covenants:

1. The Borrower shall not have any accounts with other banks/ financial institutions (for sole banking)
2. The Borrower shall not divert any funds to any purpose and launch any new scheme of expansion without prior permission of the Bank.
3. The Borrower shall not transfer, sell, lease, grant on license or create any third party interest of any nature whatsoever on the security without prior consent of the Bank.

This is an indicative list and there may be additional covenants under the various borrowing arrangements entered into by our Company

Unsecured Borrowings:

In addition to the secured borrowings availed by us from banks, we have also availed certain Unsecured loans.

Set forth below is a brief summary of Unsecured Loans as of December 31, 2017:

1. From Directors:

Name of the Lender	Outstanding Amount (` in Lakhs)
Pawan Garg	0.44
Kapoor Chand Garg	20.21

2. From Corporates:

Name of the Lender	Outstanding Amount (` in Lakhs)
Gulistan Marketing Pvt Ltd	77.06
M. S. Fortune Telenet Pvt Ltd	2.00
Ostrich Infra Reality Pvt Ltd	26.00

Tenor/Re-payment:

The unsecured loans from directors and other entities are repayable on demand.

Interest Rate

Interest rate for unsecured loan taken from directors and other entities ranges from is 8.00% p.a. to 12.00% p.a.

SECTION VI- LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on February 07, 2018 determined that outstanding dues to creditors in excess of Rs. 5.00 lakhs as per last audited financial statements shall be considered as material dues (“Material Dues”).

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered ‘material’ for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds Rs. 2.00 lakhs as determined by our Board, in its meeting held on February 07, 2018.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered ‘material’ only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

INCOME TAX PROCEEDINGS

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Income Tax Department (hereinafter referred to as “the Income Tax Authority”) issued e-notice dated July 15, 2017 for information on cash transactions identified in 2nd phase of operation clean money to Latteys Pumps Industries Limited (hereinafter referred to as “the **Company**”) for deposit of cash amounting to Rs. 5,35,78,868/- in five separate bank accounts. In Company’s account bearing number 50200005422945, amount of Rs. 40,000/- was deposited and on Company’s request HDFC Bank has issued a certificate dated July 25, 2017 indicating account bearing number 50200005422945, amount of Rs. 40,000/- was deposited in old currency notes of Rs. 500 and Rs. 1000. The Company has not received any further communication from the Income Tax Department in the matter. In account bearing number 5020000158892, amount of Rs. 17,88,000/- was deposited for which the Company responded that the given PAN number does not belong to Company. In Company’s account bearing number 50200001588921, amount of Rs. 4,98,13,868/- was deposited, however, the Company has replied that out of Rs. 4,98,13,868/- only Rs. 17,04,000 is deposited by the Company and on Company’s request HDFC Bank has issued a certificate dated July 25, 2017 indicating account bearing number 50200001588921, amount of Rs. 17,88,000/- was deposited, however, out of the said amount only Rs. 17,04,000/- is deposited in old currency notes of Rs. 500 and Rs. 1000. The Company has not received any further notice from the Income Tax Authority regarding the same. In account bearing number 9582020003195, amount of Rs. 1,49,000/- was deposited for which the Company responded that company has not deposited the said amount. The Company has not received any further notice with regard to the same.

Proceedings against Our Company for economic offences/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notices against our Company

Nil

Past Notices to our Company

Nil

Disciplinary Actions taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material frauds against the Company in last five years and action taken by the Companies.

Nil

LITIGATIONS FILED BY OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

State Bank of India V. Sachin Gupta & Ors.

State Bank of India (hereinafter referred to as the “**Applicant**”) filed an application bearing complaint no. **OA no. 1110/2017** before Debt Recovery Tribunal- II, Delhi (hereinafter referred to as “**Authority**”). The Authority has issued a Show Cause notice against Sachin Gupta (hereinafter referred to as the “**Respondent No. 1**”) and Megha Gupta (hereinafter referred to as “**Respondent No. 2**”) and Amrapali Dream Valley Private Limited (hereinafter referred to as “**Respondent No. 3**”) (hereinafter collectively referred to as “**Respondents**”) on November 18, 2017 under Section **19(4)** of The Recovery of Debts Due to Banks and Financial Institutions Act, 1993 for the amount of Rs. **18,45,818/-**. The Respondents were thereby directed to show cause within 30 days as to why relief should not be granted to applicant. Respondents were also required to file written statement with a copy to the Applicant and appear before the Registrar on January 30, 2018. The matter is currently pending

Taxation Matters

INCOME TAX PROCEEDING AGAINST SACHIN GUPTA

1. FOR AY 2010-11

The Income Tax Department's website under the head 'Response to Outstanding Tax Demand' for Sachin Gupta (hereinafter referred as "Assessee") displays outstanding demand dated April 20, 2011 under Section 143 (1)(a) of the Income Tax Act, 1961 (Hereinafter referred as the "Act") under Section 245 of the Act amounting to **Rs. 1,11,520/-**. The amount is currently outstanding.

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

Other notices against promoters

Axis Bank Limited V. Sachin Gupta

Axis bank Limited (hereinafter referred to as the "Applicant") sent a Loan Recall/ Termination Notice & Demand notice to Sachin Gupta (hereinafter referred to as the "Respondent") bearing notice number **S&A/PL/LRN/5346** on August 12, 2016. The Respondent took a personal loan from the applicant and has entered into a Loan agreement with the applicant amounting to **Rs. 4, 90,000/-**. Respondent had agreed to repay the said loan on monthly instalment of **Rs 12,046/-** and defaulted in repayment of the loan. Hence, the applicant terminated the Loan agreement and also terminated the loan granted to the Respondent. Applicant had stated that the sum of **Rs. 5,70,281/-** is outstanding against respondent along with penal interest, late payment charges and other charges in accordance with the terms and conditions of loan agreement. Applicant also informed the respondent to pay the remaining amount of **Rs. 5, 70,281/-** along with **Rs. 11,000/-** towards legal cost within 8 days failure to which Applicant will initiate legal action against respondent. The matter is currently pending.

LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY

LITIGATIONS AGAINST OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past.

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

Other notices against promoters

Nil

LITIGATIONS FILED BY OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANIES

LITIGATIONS AGAINST OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

As on date of this Prospectus, our company does not have any subsidiary

OTHER MATTERS

Nil

DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES

Nil

OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 185 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of December 31, 2017, our Company had 304 creditors, to whom a total amount of Rs. 993.09 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated February 07, 2018, considered creditors to whom the amount due exceeds Rs. 5.00 lakhs as per our Company’s restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

Creditors	Amount (Rs. in lakhs)
AKS TUBE	46.16
K.K. ELECTRO CONTROLS	42.52
HARI KRUPA METAL	38.81
ARNIK INDUSTRIES	34.76
RAJ ENTERPRISE	32.12
DHANLAXMI FOUNDRY	32.01
VIPUL COPPER PVT.LTD.	29.90
SANJAY INDUSTRIES	28.00
PB ENGINEERING	27.28
PRITI CABLE INDUSTRIES	24.05
PATEL INDUSTRIES (RAJKOT)	22.99
LIBRA COMPONENTS PVT. LTD.	22.21
INFINITE WIRES & COMPONENTS PVT LTD	21.94
P.B.COPPERS PVT.LTD.	21.75
OMKAR STAMPING	21.20
PRIME TECH INDUSTRIES	18.85
ADDISON CABLE PVT LTD	17.18

PERFECT METALS	16.74
SALASAR COPPER	16.46
POLY PRODUCTS	15.54
BHAVNA INDUSTRIES	14.13
SHRI RAM METAL INDUSTRIES	13.72
HI-TECH INDUSTRIES	13.70
NARMADA CARBONS	12.58
M PLAST	11.40
SHREE BHAGWATI SALES CORPORATION	9.99
NOBTECH ENTERPRISE	9.87
BHOOMI INDUSTRIES	9.16
B.K.INDUSTRIES	9.13
SIDDHESHWARI INDUSTRIES	8.99
VIVEK STEEL	8.89
VENUS TECHNOCAST	8.43
CHETAK ENTERPRISE	8.36
VIPUL COPPER PVT LTD.-COPPER	8.23
FUSION INDUSTRIES	8.12
KRISHNAVENI CARBON PRODUCTS(P)LTD	8.01
GHANSHYAM FOUNDRY	7.90
AAISHA INDUSTRIES	7.38
JAY ENGINEERING	7.37
SUYOG AUTOWIND SOLUTIONS	7.12
SALASAR COPPER (UNIT - 2)	6.86
NIMCO PUMPS PVT LTD	6.64
SPAN SPARES PVT LTD	6.52
S.M.ENGINEERING	6.41
GAYATRI ENGINEERING WORKS	6.29
LATTICE ENGINEERING PVT. LTD. (creditor)	6.21
SHIVAM INDUSTRIES	6.14
OM STEEL INDIA	5.88
LAXMI INDUSTRIES	5.78
RIDDHI SIDDHI ROTER DIA CAST	5.77

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see the website of our Company www.latteysindustries.com.

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.latteysindustries.com, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing and assembling of pumping solutions for homes, agriculture & industry, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “Key Industry Regulations and Policies” on page 141 of this Prospectus.

The Company has its business located at:

Registered and Corporate Office: Plot No. 16, Phase- 1/2, GIDC Estate, Naroda Ahmedabad – 382330, Gujarat, India.

Manufacturing Unit: Plot No. -16, Phase- 1/2, GIDC Estate, Naroda Ahmedabad – 382330, Gujarat, India.

Branch Offices:

1. **Branch I (Haryana)** – H No. 143, Opposite House No. 1016, Sector 23A, Near Mangal Bazar, Karterpuri,, Gurugram (North), Haryana, India.
2. **Branch II (Kochi)** – Door No. CC 33/2804/C1, Brindavan Road, Chakkaraparambu, Ernakulam Cochin-682032, Kerala, India.
3. **Branch III (Patna)** –Jagjiwan Lane, Jagat Narayan Road, Behind Patliputra School Kadam Kuan, Patna - 800016, Bihar, India.
4. **Branch IV (Kanpur)** – 127/629, S Block Binowa Nagar, Juhi, Kanpur-208014, Uttar Pradesh, India.
5. **Branch V (Bhubaneswar)**–Plot No. 223/1749, Mouza - Bomikhal, Bhubaneswar, Odisha - 751010.
6. **Branch VI (Ranchi)** –D-75, Road No. 1, Park Road, Ashok Nagar, Ranchi – 834 001, Jharkhand, India.
7. **Branch VII(Jaipur)** -181, Sindhi Colony, Bani Park, Jaipur – 302016, Rajasthan, India
8. **Branch VIII (Delhi)**– T-104, Shivaji Nagar, Gali No. 1, Bhawana Road, Narela, Delhi – 110040, India.
9. **Branch IX (Indore)** –41,Nasla Road,Opp. Gujrati College, Indore- 452001, Madhya Pradesh, India.

Sales and Corporate Office: Plot No. 16, Phase- 1/2, GIDC Estate, Naroda Ahmedabad – 382330, Gujarat, India.

Warehouse: NA

Raw Material storage: Plot No. 625, Phase 4, GIDC Naroda, Ahmedabad-382330, Gujarat, India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on January 04, 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on January 08, 2018, authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated April 18, 2018 bearing reference no. NSE/LIST/69.

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated January 18, 2018 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated February 06, 2018 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE262Z01015.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated April 02, 2013 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli in the name of “LATTEYS PUMPS INDUSTRIES PRIVATE LIMITED”.
2. The Company acquired a sole proprietorship concern of Mr. Kapoor Chand Garg “LATTEYS PUMPS INDUSTRIES” pursuant to a Memorandum of Understanding dated April 08, 2013.
3. Certificate of Incorporation pursuant to change of name from Latteys Pumps Industries Private Limited to Latteys Industries Private Limited issued on July 11, 2017 by the Registrar of Companies, Ahmedabad in the name of “LATTEYS INDUSTRIES PRIVATE LIMITED”.
4. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on August 21, 2017 by the Registrar of Companies, Ahmedabad in the name of “LATTEYS INDUSTRIES LIMITED”.
5. The Corporate Identification Number (CIN) of the Company is U29120GJ2013PLC074281.

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce and Industry, Government of India	IEC: 0813009651	July 22, 2013	In case of change in name/address or constitution of IEC holder, the

					IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2.	License of Establishment for Branch II (Kochi) (under Section 447 (1) of the Kerala Municipality Act, 1994)	Municipal Corporation Secretary, Kochi Corporation, Government of India	License No: C-14/41528/16-17 Serial No: C-14/596/16-17 Renewal Receipt number: 28012	December 24, 2016	Renewed on: February 14, 2017
3.	Registration Certificate of Establishment for Branch IX (Indore) (under Rule 3 (3) of Madhya Pradesh Shops and Establishments Act, 1958)	Inspector, Shops and Establishment Act 1958	C/533609	May 18, 2017	December 31, 2021
4.	Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	District Industries Centre, Government of -Gujarat	EM Number (Part II) 24-007-11-24256	October 14, 2010	NA
5.	Udyog Aadhaar	Ministry of Micro, Small and Medium	GJ01B0083603	April 02,	NA

	Memorandum	Enterprise, Government of India		2013	
6.	License to work a factory (under Factories Act, 1948 and Rules made thereunder)	Joint Director Industrial Safety and Health, Ahmedabad, Government of Gujarat	1665/29120/2010 License No. 9262 FIN. A01009262A	March 01, 2011 D.A.: October 01, 2010 Renewed: October 26, 2016	Till year 2022

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AACCL4511A	September 21, 2017	Perpetual
2.	Tax Deduction Account Number (TAN)	Income Tax Department Ministry of Finance, Government of India	AHML01764A	May 27, 2013	Perpetual
3.	Registration Certificate for Goods and Service Tax for Registered and Corporate Office	Government of India	GSTIN – 24AACCL4511A1Z B	Valid from: September 19, 2017	NA
4.	Registration Certificate for Goods and Service Tax for Branch I (Haryana)	Government of India	GSTIN – 06AACCL4511A1Z 9	Valid from: November 08, 2017	NA
5.	Registration Certificate for Goods and Service Tax for Branch II (Kochi)	Government of India	GSTIN – 32AACCL4511A1Z E	Valid from: September 25, 2017	NA
6.	Registration Certificate for Goods and Service Tax for Branch III (Patna)	Government of India	GSTIN – 10AACCL4511A1Z K	Valid from: September 23, 2017	NA
7.	Registration Certificate for Goods and Service Tax for Branch IV	Government of India	GSTIN – 09AACCL4511A1Z 3	Valid from: September 26, 2017	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	(Kanpur)				
8.	Registration Certificate for Goods and Service Tax for Branch V (Bhubaneswar)	Government of India	GSTIN – 21AACCL4511A1Z H	Valid from: September 26, 2017	NA
9.	Registration Certificate for Goods and Service Tax for Branch VI (Ranchi)	Government of India	GSTIN – 20AACCL4511A1Z J	Valid from: September 26, 2017	NA
10.	Registration Certificate for Goods and Service Tax for Branch VII (Jaipur)	Government of India	GSTIN – 08AACCL4511A1Z 5	Valid from: September 20, 2017	NA
11.	Registration Certificate for Goods and Service Tax for Branch VIII (Delhi)	Government of India	GSTIN – 07AACCL4511A1Z 7	Valid from: September 19, 2017	NA
12.	Registration Certificate for Goods and Service Tax for Branch IX (Indore)	Government of India	GSTIN – 23AACCL4511A1Z D	Valid from: September 23, 2017	NA
13.	Certificate of Registration for registered office and manufacturing unit (Gujarat) (under Gujarat Value Added Tax Act, 2003 read with Rule 6 of the Gujarat Value Added Tax Rules, 2005)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujarat.	24075204056	September 22, 2010 Valid from: September 01, 2010	Until Cancelled
14.	Certificate of Registration for Branch – I (Haryana) (under Section 11 of the Haryana Value Added Tax Act, 2003 read with Rule 11(4), (7) and (9) of	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Haryana.	06693800084	March 30, 2017	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	the Haryana Value Added Tax Rules, 2003)				
15.	Certificate of Registration for Branch - II (Kochi) (under the Kerala Value Added Tax Act, 2003 read with Rule 17(4) of the Kerala Value Added Tax Rules, 2005)	Assistant Commissioner, Commercial Tax Department, Ernakulam, Government of Kerala	32070380297 Renewal ID: 320703/DI08/98/2017	Effective from: December 01, 2016	Renewed pursuant to application dated April 18, 2017
16.	Certificate of Registration for Branch - III (Patna) (under Section 19 of Bihar Value Added Tax Act, 2005 read with Rule 3(5) of the Bihar Value Added Tax Rules, 2005)	Office of Deputy Commissioner of Commercial Tax, Commercial Tax Department, Kadam Kuan Circle, Government of Bihar.	10132838037	June 21, 2012 Effective from: June 15, 2012	NA
17.	Certificate of Registration for Branch - IV (Kanpur) (under Uttar Pradesh Value Added Tax Act, 2007 read with Rule 32(8) & 32(10) of the Uttar Pradesh Value Added Tax Rules, 2008)	Assistant Commercial Tax Officer, Commercial Tax Department, Kanpur, Government of Uttar Pradesh.	09237524525C	June 27, 2013 Effective from: June 26, 2013	Until the business is discontinued.
18.	Certificate of Registration for Branch - V (Bhubaneswar) (under Section 25 (2)/ (5) and Section 26 (2) of Odisha Value Added Tax Act, 2004 read with Rule 18(3), Rule 19	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Odisha.	21252603341	Effective from: July 07, 2014	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	(1) and 19 (2) of the Odisha Value Added Tax Rules, 2005)				
19.	Certificate of Registration for Branch – VI (Ranchi) (under Jharkhand Value Added Tax Act,2005 read with Rule 3 (iv), 3(vi)(c), 3(x)(b) and 3A of the Jharkhand Value Added Tax Rules, 2006)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Jharkhand.	20070100154	June 18, 2015	NA
20.	Certificate of Registration for Branch – VII (Jaipur) (under Rajasthan Value Added Tax Act,2003read with Rule 14 (1)(a) and Rule 15 (2) of the Rajasthan Value Added Tax Rules, 2006)	Assistant Commissioner, Divisional Kar Bhawan, Jhalana, Jaipur	08781767997	April 27, 2016	Until cancelled
21.	Certificate of Registration for Branch – VIII (Delhi) (under Delhi Value Added Tax Act,2004read with Rule 14 of the Delhi Value Added Tax Rules, 2005)	Department of Trade and Taxes, Government of NCT of Delhi	07276966201	June 02, 2016	NA
22.	Certificate of Registration for Branch – IX (Indore) (under Madhya Pradesh Value Added Tax Act, 2002 and Rule 12	Commercial Tax Officer, Indore, Commercial Tax Department, Government of Madhya Pradesh	23439238329	April 27, 2017	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	(1) of Madhya Pradesh Value Added Tax Rules 2006)				
23.	Certificate of Registration Central Sales Tax for registered office and manufacturing unit (Gujarat) (under Central Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and 7)Turnover) Rules, 1956)	Commercial Tax Officer, Ahmedabad, Commercial Tax Department, Government of Gujarat.	24575204056	September 22, 2010 Effective from: September 01, 2010	Until cancelled
24.	Certificate of Registration Central Sales Tax for Branch - I (Haryana) (under Section 7(1)/7(2) of Central Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Excise and Taxation Officer cum Assessing Authority, Gurugram (North).	06693800084 (Central)	March 30, 2017 Valid from: March 29, 2017	Until cancelled
25.	Certificate of Registration Central Sales Tax for Branch - II (Kochi) (under Section 7(1)/7(2) of the Central Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Assistant Commissioner, Commercial Taxes, Commercial Tax Department, Kochi, Ernakulam.	32070380297C	December 13, 2016 Valid from: December 08, 2016	March 31, 2017

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
26.	Certificate of Registration Central Sales Tax for Branch – III (Patna) (under Section 7(1)/7(2) of the Central Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Assistant Commissioner of Commercial Taxes, Commercial Taxes, Kadam Kuan Circle, Commercial Tax	10132133177 (Central)	June 15, 2012	Until cancelled
27.	Certificate of Registration Central Sales Tax for Branch – IV (Kanpur) (under Section 7(1)/7(2) of the Central Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Assistant Commissioner (Registering Authority), Unit – 4, Commercial Tax, Kanpur, Government of Uttar Pradesh	09237524525C	June 27, 2013 Valid from: June 26, 2013	Until Cancelled
28.	Certificate of Registration Central Sales Tax for Branch – V (Bhubaneswar) (under Section 7(1)/7(2) of the Central Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Commercial Tax Department, Government of Odisha	21252603341 Central	June 01, 2015	Until cancelled
29.	Certificate of Registration Central Sales Tax for Branch – VI (Ranchi) (under Section 7(1)/7(2) of the Central	Deputy Commissioner, Commercial Taxes Department, Government of Jharkhand	20070100154	June 20, 2015 Valid from June 01, 2015	Until cancelled

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)				
30.	Certificate of Registration Central Sales Tax for Branch-VII(Jaipur) (under Central Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Assistant Commissioner – Divisional Kar Bhawan, Jhalana - Jaipur	08781767997 (Central)	April 27, 2015 Valid from: April 22, 2015	Until cancelled
31.	Certificate of Registration Central Sales Tax for Branch VIII(Delhi) (under Central Sales Tax Act, 1956 and Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Department of Trade and Taxes, Government of NCT of Delhi	07276966201	May 18, 2015	Until cancelled
32.	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Deputy Commissioner of Central Excise, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AACCL4511AEM001	Original: April 23, 2013	Valid only for premises and purposes specified and it shall remain valid till the Registrant carries on the activity or which it is issued or surrenders or revokes or suspended.

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
33.	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AACCL4511ASD001	November 25, 2013	NA
34.	Professional Tax Enrollment Certificate (PTEC) (under section 5 (2) of Gujarat State Tax on Professionals, Traders, Callings and Employments, Act, 1976)	Ahmedabad Municipal Corporation, Government of Gujarat	PEC012291963	November 10, 2017 Date of change in name: December 20, 2017	NA
35.	Professional Tax Registration Certificate (PTRC) (under section 5 (1) of the Gujarat State Profession, Trade, Calling and Employment Tax, Act, 1976)	Profession Tax Department, Amdavad Municipal Corporation	PRC012290384	November 10, 2017	NA

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Ministry of Labour, Government of India	GJ/SRO/NRD/ENF /GJ/62138/2504 Code No.: GJ/62138	Change of Name Approval: February 04, 2014
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation, Gujarat Regional Office	New Code No.: 37000236410000699	Code Issuance date November 18, 2009

Note: The Gujarat Pollution Control Board has exempted certain industrial units from taking NOC. List is available at following link:<http://gpcb.gov.in/industries-exempted.htm>. Our company is falling in the list mentioning 'pump and motor assembling units', as it is used in our manufacturing unit.



OTHER BUSINESS-RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Authorisation Letter to use label for Bureau of Energy Efficiency Voluntary Scheme for Energy Efficiency labelling, May 2006.	Bureau of Energy Efficiency, Government of India, Ministry of Power	BEE/LAT/11/00550/17/002/SPS Label Series Code – BEE/LAT/11/00550/17	Valid from: July 21, 2017	July 20, 2020
2	License for submersible pump sets IS 8034:2002	Bureau of Indian Standards, Khanpur, Ahmedabad	CM/L – 7588297	Revised w.e.f. August 24, 2016 Renewed from February 14, 2017 Renewed: February 12, 2018	February 13, 2019
3	License for pumps, regenerative or clear, cold water IS 8472:1998	Bureau of Indian Standards, Khanpur, Ahmedabad	CM/L – 7200072398	January 09, 2017 Effective from: January 05, 2017 Renewed: January 05, 2018	January 04, 2019
4	License for Electric Monoset pumps for clear, cold water IS 9079:2002	Bureau of Indian Standards, Khanpur, Ahmedabad	CM/L – 7200081504	March 14, 2017 Effective from: March 10, 2017 Renewed on: April	March 09, 2019

				06, 2018 Valid from: March 10, 2018	
5	Certificate of Registration for Quality Management Systems ISO 9001: 2015 For manufacture and supply of submersible pumpset, openwell submersible pumpset, regenerative self-priming pumpset, monoset and induction motor, PVC pipes and spares.	Managing Director, Vinayak Certificate Services Private Limited	VN0323/1423:0713	Originally registered: July 22, 2013 Renewed on: July 20, 2016 Date of change in name: November 9, 2017	July 19, 2019
6	BIS Certification Marks License as per IS 14220:1994	Bureau of Indian Standards	CM/L-7200113689	February 15, 2018 Valid from: February 12, 2018	February 11, 2019

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

TRADEMARKS

Sr. No.	Trademark	Trade mark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration status
1.		Device	7	Latteys Industries Limited	3058139	September 17, 2015	NA	Objected (Ready for show cause hearing)
2.		Device	7	Latteys Industries Limited	3810366	April 19, 2018	NA	New Application

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

1. Certain approvals are in the name of “Latteys Pumps Industries Private Limited.” Company has applied for change of name of those approvals to “Latteys Industries Limited” and the same is currently pending.
2. The Company has applied Vendor Registration with Gujarat Water Supply and Sewerage Board, Government of Gujarat and made payment dated December 04, 2017. The same is currently pending.
3. An application is made before Director of Agriculture, Gujarat for Expression of Interest (EOI) for Empanelment of Manufacturers of Submersible Pump sets product and a bid is submitted on September 21, 2017. The approval is currently pending.
4. An online application dated March 06, 2013 with ARN number AA230318002117S is made for change of name on GST Certificate for Branch IX (Indore) and it is currently pending.
5. An application for registration of Trademark under Class 7 has been made vide application number 3810366 dated April 19, 2018. The registration is currently pending

Note:

1. *Udyog Aadhaar Memorandum, PAN, Trademark application, Professional Tax Enrolment Certificate and Professional Tax Registration Certificate, are already in the name of Latteys Industries Limited. The Excise Certificate, Service Tax Certificate, Central Sales Tax, Value Added Tax and Entrepreneurs Memorandum are in the name of “Latteys Pumps Industries Private Limited.” They are not transferred to the new name as these certificates are replaced by GST and Udyog Aadhaar Memorandum respectively..*

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

1. The Company has not applied for the following:
 - a) Shops and Establishment Certificate for all the branches except Branch II (Kochi) and Branch IX (Indore).
 - b) Consent to Operate under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on January 04, 2018 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on January 08, 2018 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither Company, nor our Directors, our Promoters or the relatives (as defined under the Companies Act) of Promoters, our Promoter Group, and our Group Companies have been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

Neither our Promoters, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is not more than ten crore and we shall hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “EMERGE Platform of the National Stock Exchange of India Limited”)

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred per cent underwritten and that the Lead Manager to the Issue will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 63 of this Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the arrangement of market making please refer to the chapter titled “*General Information*” beginning on page 63 of this Prospectus.
5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and
6. Net worth of the Company is positive.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. The Company has a website www.latteysindustries.com.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, SHALL FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 AFTER FILING OF PROSPECTUS WITH ROC AND BEFORE OPENING OF ISSUE.

“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.- NOTED FOR COMPLIANCE**
- 5. WE CERTIFY THAT WRITTEN CONSENTS FROM PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF HIS SPECIFIED SECURITIES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS/ PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS’ CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**

- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013 EQUITY SHARES IN THE ISSUE WILL BE ISSUED IN DEMATERIALIZED FORM ONLY.**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:**
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE**

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – NOTED FOR COMPLIANCE
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.”- COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.

(6) WE CONFIRM THAT UNDERWRITING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

(7) WE CONFIRM THAT MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad, in terms of Section 26, 30, 32 and 33 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.latteysindustries.com would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated February 14, 2018 the Underwriting Agreement dated February 14, 2018, entered into among the Underwriter and our Company and the Market Making Agreement dated February 14, 2018, entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manage this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer “Annexure A” to this Prospectus and the website of the Lead Manager at www.pantomathgroup.com .

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Prospectus has been filed with EMERGE Platform of the National Stock Exchange of India Limited for its observations and NSE has given its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/69 dated April 18, 2018 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved

by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

FILING

The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 106(M) (3). However, a copy of the Prospectus shall be filed with SEBI at SEBI Regional Office, Western Regional Office, Unit No 002, Ground Floor SAKAR-I, Near Gandhigram Railway Station opposite Nehru Bridge Ashram Road, Ahmedabad- 380009, Gujarat, India. A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 has been delivered to the RoC situated at, Registrar Of Companies ROC Bhavan , Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013,India.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in principle approval from EMERGE Platform of the National Stock Exchange of India Limited. However application has been made to the EMERGE Platform of the National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. EMERGE Platform of the National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The EMERGE Platform of the National Stock Exchange of India Limited has given its in-principle approval for using its name in our Prospectus and Prospectus vide its letter dated April 18, 2018

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE Platform of the National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of the National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Banker to the Company and (b) Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue, Syndicate Member to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Prospectus with the RoC, as required under Sections 32 and 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus/Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report of the Peer Reviewed Auditor on the Restated Financial Statements for the period ended December 31, 2017 and financial year ended on March 31, 2017, 2016, 2015 and 2014 of our Company.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 71 of this Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated February 14, 2018 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Offer is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2014

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 78 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Companies are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on January 16, 2018. For further details, please refer to the chapter titled “*Our Management*” beginning on page 160 of this Prospectus.

Our Company has appointed Jayesh Bhavsar as Company Secretary and Compliance Officer and he may be contacted at the following address:

Jayesh Bhavsar

Latteys Industries Limited

Plot No. 16, Phase- 1/2,

GIDC Estate, Naroda Ahemdabad

Gujarat 382330 India

Tel: 079-22823354/ 22822894

Fax: N.A.

Email: cs@latteysindustries.com

Website: www.latteysindustries.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Except as disclosed below, there have been no changes in Auditors during the last three financial years:

M/s Gaurav Ashok Jain & Associates was appointed as auditors in place of KPMC & Associates with effect from December 21, 2016.

CAPITALISATION OF RESERVES

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 78 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Prospectus, the Prospectus, the Abridged Prospectus, Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 02, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 01, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 290 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. Our Company shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 183 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10/- each and the Issue Price is Rs. 66/- per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 97 of this Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 290 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated February 06, 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated January 18, 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is 2000 Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 2000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2000 Equity Share subject to a minimum allotment of 2000 Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except

pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint - tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed

PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

Issue Opens On	Wednesday, May 23, 2018
Issue Closes On	Monday, May 28, 2018
Finalization of Basis of Allotment with the Designated Stock Exchange	Thursday, May 31, 2018
Initiation of Refunds	On or before Friday, June 1, 2018
Credit of Equity Shares to demat accounts of Allottee	On or before Monday, June 4, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday, June 5, 2018

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of NSE from NSE EMERGE on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares offered through this Issue are proposed to be listed on the EMERGE Platform of NSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of shares offered through the Prospectus. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 63 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 2,000 shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE Platform of NSE.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI

It is to be understood that there is no reservation for Eligible NRIs or FPIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter “*Capital Structure*” beginning on page 78 of this Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled “*Main Provisions of the Articles of Association*” beginning on page 290 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the

Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital does not exceed ten crores rupees, shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("NSE Emerge", in this case being the SME Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 235 and 244 of this Prospectus.

Following is the issue structure:

Public Issue aggregating 12,22,000 Equity Shares of face value of Rs. 10/- each fully paid (the ‘Equity Shares’) for cash at a price of Rs. 66/- per Equity Share (including a premium of Rs. 56 per Equity Share) aggregating Rs. 806.52 lakhs (‘the Issue’) by our Company. The Issue and the Net Issue will constitute 26.57% and 25.22% of the Post Issue paid up Equity Share capital of our Company.

The issue comprises a reservation of 62,000 Equity Shares of Rs. 10/- each for subscription by the designated Market Maker (‘the Market maker reservation portion’).

Particulars	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares	11,60,000 Equity Shares	62,000 Equity Shares
Percentage of Issue Size available for allocation	94.93 % of the Issue Size	5.07 % of Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 2,000 equity shares and further allotment in multiples of 2,000 equity shares each. For further details please refer to the chapter titled “ <i>Issue Procedure–Basis of Allotment</i> ” on page 244 of this Prospectus.	Firm allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only	Through ASBA Process only
Minimum Application	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- <u>For Retail Individuals</u> 2,000 Equity shares	62,000 Equity Shares of Face Value of Rs. 10/- each
Maximum Application Size	<u>For Other than Retail Individual Investors</u> For all other investors the maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable. <u>For Retail Individuals:</u> 2,000 Equity Shares so that the Application Value does not exceeds	62,000 Equity Shares of Face Value of Rs. 10/- each

Particulars	Net Issue to Public*	Market Maker Reservation Portion
	Rs. 2,00,000.	
Mode of Allotment	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.
Trading Lot	2,000 Equity Shares	2,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Issue.	

* As per Regulation 43(4) of the SEBI (ICDR) Regulations, in an issue made other than through the book building process, allocation in the net offer to public category shall be made as follows:

- a. Minimum fifty percent to retail individual investors; and
- b. Remaining to:
 - a. Individual applicants other than retail individual investors; and
 - b. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
 - c. The unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

For the purpose of sub-regulation 43 (4), if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, the retail individual investors may either withdraw or revise their applications until closure of the issue and investors other than retail individual investors shall not be allowed to withdraw nor lower the size of their Application after the Issue Closing Date.

ISSUE PROGRAMME

Issue Opens On	Wednesday, May 23,
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	2018
Issue Closes On	Monday, May 28, 2018
Finalization of Basis of Allotment with the Designated Stock Exchange	Thursday, May 31, 2018
Initiation of Refunds	On or before Friday, June 1, 2018
Credit of Equity Shares to demat accounts of Allottee	On or before Monday, June 4, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday, June 5, 2018

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

(i) in case of Application by Non-Institutional Investors, the applications and the revisions in applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the Issue Closing Date; and

(ii) in case of Application by Retail Individual Investors and applications by Eligible Employee, the applications and the revisions in applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. on the Issue Closing Date, which may be extended upto such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by lead manager to the Stock Exchanges.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “**Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals)	Blue

bidding under the QIB Portion), applying on a repatriation basis (ASBA)	
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Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- i) an SCSB, with whom the bank account to be blocked, is maintained
- ii) a syndicate member (or sub-syndicate member)
- iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, and offices of Lead Manager to the Issue and Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com.

WHO CAN APPLY?

In addition to the category of Applicants set forth under "*General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue*", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;

- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

PARTICIPATION BY ASSOCIATED / AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S / RFPI'S ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of

- companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
 3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:
 - i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the Board;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv. Any other transaction specified by the Board.
 - c) No transaction on the stock exchange shall be carried forward;
 - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
 - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

- vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- viii. Any other transaction specified by the Board.
 - e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:
Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company:* The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. *The entire group of the investee company:* not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. *The industry sector in which the investee company operates:* not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an

amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
6. The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the following Application Collecting intermediary
 - i) an SCSB, with whom the bank account to be blocked, is maintained
 - ii) a syndicate member (or sub-syndicate member), if any
 - iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
 - iv) a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
 - v) a registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

The Applicant cannot apply on another Application Form after one Application Form has been submitted to Application Collecting intermediaries. Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

2. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.
3. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

4. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
5. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
6. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

APPLICATIONS BY BANKING COMPANIES

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “Banking Regulation Act”), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company’s paid-up share capital. A banking company may hold up to 30% of the paid-up share

capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

APPLICATIONS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE OFFER

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant

TERMS OF PAYMENT

Terms of Payment

The entire Issue price of Rs. 66/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied The Registrar to the Issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account post finalisation of Basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for Applicants

The Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.

2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date
3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be re will be responsible for blocking the necessary amounts in the ASBA Accounts (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds.
4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Bank account number.
7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Application Collecting Intermediaries shall have no right to reject applications, except on technical grounds.
11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 62,000 Equity Shares shall be reserved for Market Maker and 5,80,000 Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible OFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated February 14, 2018.
- b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement;
- All applicants should submit their applications through the ASBA process only.

Don't's:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Application Collecting Intermediaries. Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not submit more than five Application Forms per ASBA Account.

Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Application Collecting Intermediaries. Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker)

network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. www.nseindia.com With a view to broadbase the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. www.nseindia.com.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 4 (four) and 6 (Six) days respectively of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.”

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed on sixth working day from issue closure date;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That our Promoter’s contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall

be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated February 06, 2018 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated January 18, 2018 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no. INE262Z01015.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus /Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations, 2009**”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per:

- Regulation 106M (1): An issuer whose post-issue face value Capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M(1) of Chapter XB of SEBI (ICDR)

Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Company has track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. The net worth of the Company is positive.
- (f) The Post-issue paid up capital of the Company shall not be more than Rs. 25 Crore
- (g) The Issuer shall mandatorily facilitate trading in demat securities.
- (h) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (i) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (j) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (k) The Company should have a website.
- (l) Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by

the SME Platform of NSE for listing of our Equity Shares As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs. 1,000 lakhs but does not exceed Rs 2,500 lakhs. Company also complies with the eligibility conditions laid by the EMERGE Platform of NSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period.

Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of NSE from NSE EMERGE on a later date subject to the following:

- a. *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal*

FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available Designated Branches of the SCSBs, at the registered office of the Issuer and at the registered office of LM. For further details regarding

availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
Anchor Investors (where applicable) & Applicants applying in the reserved category	Not Applicable

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.



4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

R Application Form

COMMON APPLICATION FORM	LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - R Registered Office: Plot No. 16, Phase- 1/2, GIDC Estate, Naroda Ahmedabad Gujarat 382330 India. Tel. No.: 079-22823354; Fax No.: Not Available; CIN: U29120GJ2013PLC074281 Email: info@latteyindustries.com; Website: www.latteyindustries.com	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
	To, The Board of Directors LATTEYS INDUSTRIES LIMITED	FIXED PRICE SME ISSUE ISIN - INE262Z01015
		Date: _____
		Application Form No.
BROKER'S / SCSB / DP / RTA STAMP & CODE SCSB / BANK BRANCH STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE SCSB / BANK BRANCH SERIAL NO.	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ _____ Address _____ _____ Email _____ Tel. No (with STD code) / Mobile _____
		2. PAN OF SOLE/FIRST APPLICANT _____
3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL _____ For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		6. INVESTOR STATUS <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Non-Resident Indians (Non-Repatriation Basis) - NRI <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please Specify) - OTH
4. APPLICATION DETAILS No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 66/- per share ^{1 & 2} (In Figures) _____ (In Words) _____		5. CATEGORY <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
		*HUF Should apply only through Karta (Applications by HUF would be treated on par with individual)
7. PAYMENT DETAILS Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____		PAYMENT OPTION : Full Payment
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.		
8 A. SIGNATURE OF SOLE / FIRST APPLICANT Date: _____, 2018	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
TEAR HERE		
	LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Syndicate Member Registered Broker/SCSB/CDP/RTA
		Application Form No.
DPID / CLID: _____	PAN of Sole/First Bidder: _____	
Amount Blocked (₹ in figures) _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____	Bank & Branch _____ Stamp & Signature of SCSB Branch _____	
TEAR HERE		
LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - R	In Figures _____ In Words _____ No. of Equity Shares _____ Amount Blocked (₹) _____ ASBA Bank A/c No.: _____ Bank & Branch: _____	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA Name of Sole / First Applicant _____ Acknowledgement Slip for Applicant Application Form No. _____

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

www.sapprints.com

NR Application Form

COMMON APPLICATION FORM	LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - NR Registered Office: Plot No. 16, Phase- 1/2, GIDC Estate, Naroda Ahmedabad Gujarat 382330 India. Tel. No.: 079-22823354; Fax No.: Not Available; CIN: U29120 GJ2013PLC074281 Email: info@latteysindustries.com; Website: www.latteysindustries.com	FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCI's ETC. APPLYING ON A REPATRIATION BASIS
	To, The Board of Directors LATTEYS INDUSTRIES LIMITED	FIXED PRICE SME ISSUE ISIN - INE262Z01015
		Date: _____
		Application Form No.
BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT
		Mr. / Ms. _____ Age _____
		Address _____
SCSB / BANK BRANCH STAMP & CODE	SCSB / BANK BRANCH SERIAL NO.	Email _____
		Tel. No (with STD code) / Mobile _____
		2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS
_____		<input type="checkbox"/> Non-Resident Indians (Repatriation basis) NRI
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		<input type="checkbox"/> FII or Sub Account not a Corporate / Foreign Individual FII
4. APPLICATION DETAILS		<input type="checkbox"/> FII Sub Account Corporate/ Individual FII SA
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 66/- per share ^{1 & 2}		<input type="checkbox"/> Foreign Venture Capital Investor FVCI
(In Figures) _____	(In Words) _____	<input type="checkbox"/> Foreign Portfolio Investors FPI
		<input type="checkbox"/> Others (Please Specify) OTH
		<input type="checkbox"/> Retail Individual
		<input type="checkbox"/> Non-Institutional
		<input type="checkbox"/> QIB
¹ Please note that applications must be made in minimum of 2,000 shares and further multiples of 2,000 shares accordingly.		
² Please note that the trading of equity shares will be only in dematerialised mode on the NSE Emerge Platform.		
7. PAYMENT DETAILS		PAYMENT OPTION : Full Payment
Amount Blocked (₹ in Figures) _____ (₹ in words) _____		
ASBA Bank A/c No. _____		
Bank Name & Branch _____		
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.		
8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
_____	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
Date: _____, 2018	1) _____	
	2) _____	
	3) _____	
TEAR HERE		
	LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Syndicate Member Registered Broker/SCSB/CDP/RTA
		Application Form No.
DPID / CLID _____	PAN of Sole/First Bidder _____	
Amount Blocked (₹ in figures) _____	Bank & Branch _____	Stamp & Signature of SCSB Branch
ASBA Bank A/c No. _____		
Received from Mr./Ms. _____		
Telephone / Mobile _____	Email _____	
TEAR HERE		
LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - NR	In Figures _____	In Words _____
No. of Equity Shares		Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA
Amount Blocked (₹)		Name of Sole / First Applicant
ASBA Bank A/c No.: _____		
Bank & Branch: _____		Acknowledgement Slip for Applicant
		Application Form No.

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
 - makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
 - otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,
- Shall be liable for action under section 447 of the said Act.

- (d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details

received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- (a) The Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.

(b) Minimum And Maximum Application Size

i. For Retail Individual Applicants

The Application must be for a minimum of 2,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 2,000 Equity Shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting

Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
- i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
- i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

- (a) Please note that, providing bank account details in the space provided in the Application

Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one Bank Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock

the excess amount, if any, in the ASBA Account.

- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
 - ii. In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
 - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application And ASBA Account Number and Name.
 - ii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise/withdraw their applications till closure of the Issue period
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form – R

COMMON APPLICATION FORM	LATTEYS INDUSTRIES LIMITED - PUBLIC ISSUE- REVISION - R Registered Office: Plot No. 16, Phase- 1/2, GIDC Estate, Naroda Ahmedabad Gujarat 382330 India. Tel. No.: 079-22823354; Fax No.: Not Available; CIN: U29120GJ2013PLC074281 Email: info@latteysindustries.com; Website: www.latteysindustries.com	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
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	To, The Board of Directors LATTEYS INDUSTRIES LIMITED	FIXED PRICE SME ISSUE ISIN – INE262Z01015	Date: _____ Application Form No.
--	--	--	--

BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr / Ms _____ Address _____ _____ Tel. No (with STD code) / Mobile _____
SCSB / BANK BRANCH STAMP & CODE	SCSB / BANK BRANCH SERIAL NO.	2. PAN OF SOLE/FIRST APPLICANT _____ 3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS NSDL _____ CDSL _____ For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION PHYSICAL

4. FROM (as per last Application or Revision)															
Options	No. of Equity Shares applied (Application must be in multiples of 2,000 equity shares)							Price per Equity Share (₹) 66/- (In Figures)							
	(In Figures)							Issue Price		Discount, if any		Net Price			
Option 1	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1
(OR) Option 2	NOT APPLICABLE							NOT APPLICABLE							
(OR) Option 3	NOT APPLICABLE							NOT APPLICABLE							

5. TO (Revised Application)															
Options	No. of Equity Shares applied (Application must be in multiples of 2,000 equity shares)							Price per Equity Share (₹) 66/- (In Figures)							
	(In Figures)							Issue Price		Discount, if any		Net Price			
Option 1	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1
(OR) Option 2	NOT APPLICABLE							NOT APPLICABLE							
(OR) Option 3	NOT APPLICABLE							NOT APPLICABLE							

7. PAYMENT DETAILS												
PAYMENT OPTION : Full Payment												
Amount Blocked (₹ in Figures) _____ (₹ in words) _____												
ASBA Bank A/c No. _____												
Bank Name & Branch _____												

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GIDP") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVER LEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT Date: _____, 2018	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) _____
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	LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - REVISION - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Application Form No.
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DPID / CLID	PAN
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Additional Amount Blocked (₹ in figures)	Bank & Branch	SCSB Branch Stamp & Signature _____
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - REVISION - R	Option 1 Option 2 Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Applicant
No. of Equity Shares		_____ _____ _____	_____ _____ _____
Issue Price			
Additional Amount Blocked (₹)			
ASBA Bank A/c No.:			
Bank & Branch:		Acknowledgment Slip for Applicant Application Form No.	

Revision Form – NR

COMMON APPLICATION FORM	LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR Registered Office: Plot No. 16, Phase- 1/2, GIDC Estate, Naroda Ahemdabad Gujarat 382330 India. Tel. No.: 079-22823354; Fax No.: Not Available; CIN: U29120GJ2013PLC074281 Email: info@latteysindustries.com; Website: www.latteysindustries.com	FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCIs ETC. APPLYING ON A REPATRIATION BASIS
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	To, The Board of Directors LATTEYS INDUSTRIES LIMITED	FIXED PRICE SME ISSUE ISIN – INE262Z01015	Date: _____ Application Form No.
--	---	---	--

BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr / Ms _____ _____ Age _____ Tel. No (with STD code) / Mobile _____
SCSB / BANK BRANCH STAMP & CODE	SCSB / BANK BRANCH SERIAL NO.	2. PAN OF SOLE/FIRST APPLICANT _____ 3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION

4. FROM (as per last Application or Revision)													
Options	No. of Equity Shares applied (Application must be in multiples of 2,000 equity shares)							Price per Equity Share (₹) 66/- (In Figures)					
	7	6	5	4	3	2	1	Issue Price		Discount, if any		Net Price	
Option 1													
(OR) Option 2				NOT APPLICABLE									
(OR) Option 3				NOT APPLICABLE									

5. TO (Revised Application)													
Options	No. of Equity Shares applied (Application must be in multiples of 2,000 equity shares)							Price per Equity Share (₹) 66/- (In Figures)					
	7	6	5	4	3	2	1	Issue Price		Discount, if any		Net Price	
Option 1				NOT APPLICABLE									
(OR) Option 2				NOT APPLICABLE									
(OR) Option 3				NOT APPLICABLE									

7. PAYMENT DETAILS												
											PAYMENT OPTION : Full Payment	
Amount Blocked (₹ in Figures) _____ (₹ in words) _____												
ASBA Bank A/c No. _____												
Bank Name & Branch _____												

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVER LEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT Date: _____, 2018	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
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TEAR HERE

	LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR	Acknowledgement Slip for Syndicate Member Registered Brokers/SCSB/CDP/RTA	Application Form No.
DPID / CLID		PAN	

Additional Amount Blocked (₹ in figures)	Bank & Branch	SCSB Branch Stamp & Signature
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

LATTEYS INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR	No. of Equity Shares Issue Price Additional Amount Blocked (₹) ASBA Bank A/c No.: _____ Bank & Branch: _____	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Applicant Acknowledgment Slip for Applicant Application Form No.
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4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION ‘FROM’ AND ‘TO’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investors Application	To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

6 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per demographic details provided by the depository);
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 2,000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing

Date , unless the extended time is permitted by NSE.

- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the EMERGE Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for)
- (b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For applications where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:
 - i. Each successful Applicant shall be allotted 2,000 equity shares; and
 - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 2,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:

- i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
- ii. The balance net offer of shares to the public shall be made available for allotment to
 - individual applicants other than retail individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
- iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 5 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 5 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is

sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at a rate prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Intermediaries	Collecting <ul style="list-style-type: none"> i) an SCSB, with whom the bank account to be blocked, is maintained ii) a syndicate member (or sub-syndicate member) iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Supported by Blocked Amount/ (ASBA)/ ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make an application authorising an SCSB to block the Application Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Banker(s) to the Issue/ Public Issue Bank and Refund Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue/ Public Issue Bank and Refund Banker with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue

Term	Description
	Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Draft Prospectus/ Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extent notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus dated March 13, 2018 filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the

Term	Description
	permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf.
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in

Term	Description
	existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Draft Prospectus / Prospectus and Application Form
Reserved Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum application lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft Prospectus/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on

Term	Description
	http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated February 14, 2018 entered into between the Underwriter and our Company
Working Day	Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation

etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 that is:

The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of Draft Prospectus/ Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION
THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
LATTEYS INDUSTRIES LIMITED**

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) “These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) “Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) *"The Company” shall mean LATTEYS INDUSTRIES LIMITED	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General	Executor or Administrator

Sr. No	Particulars	
	under section 31 of the Administrator General Act, 1963.	
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) "Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of	Register of Members

Sr. No	Particulars	
	the Act.	
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	Increase of capital by the Company how carried into effect

Sr. No	Particulars	
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions- shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction</p>	Provisions to apply on issue of Redeemable Preference Shares

Sr. No	Particulars	
	<p>of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
10.	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	Reduction of capital
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	Debentures
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	Issue of Sweat Equity Shares
13.	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name</p>	ESOP

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	called.	
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>	Modification of rights
	(b) The rights conferred upon the holders of the Shares	New Issue of Shares not to

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	including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	Shares at the disposal of the Directors.
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the	Directors may allot shares as full paid-up

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	Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in	Share Certificates.

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	<p>respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed</p>	<p>Issue of new certificates in place of those defaced, lost or destroyed.</p>

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	<p>Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	

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33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	<p>(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	Directors may make calls
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend	Directors may extend time.

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	the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	Proof on trial of suit for money due on shares.
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in	Judgment, decree, partial payment motto proceed for forfeiture.

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	respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	
44.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	Payments in Anticipation of calls may carry interest
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	Company to have Lien on shares.
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall	As to enforcing lien by sale.

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	<p>think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	
47.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>	<p>Application of proceeds of sale.</p>
	<p>FORFEITURE AND SURRENDER OF SHARES</p>	
48.	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p>	<p>If call or installment not paid, notice may be given.</p>
49.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at</p>	<p>Terms of notice.</p>

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	<p>which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	
50.	<p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p>	<p>On default of payment, shares to be forfeited.</p>
51.	<p>When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.</p>	<p>Notice of forfeiture to a Member</p>
52.	<p>Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.</p>	<p>Forfeited shares to be property of the Company and may be sold etc.</p>
53.	<p>Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.</p>	<p>Members still liable to pay money owing at time of forfeiture and interest.</p>
54.	<p>The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.</p>	<p>Effect of forfeiture.</p>
55.	<p>A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive</p>	<p>Evidence of Forfeiture.</p>

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	evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	

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61.	<p>(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.</p> <p>(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.</p>	Execution of the instrument of shares.
62.	<p>The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.</p> <p>The instrument of transfer shall be in a common form approved by the Exchange;</p>	Transfer Form.
63.	<p>The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.</p>	Transfer not to be registered except on production of instrument of transfer.
64.	<p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—</p> <p>(a) any transfer of shares on which the company has a lien.</p> <p>That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;</p>	Directors may refuse to register transfer.
65.	If the Company refuses to register the transfer of any share	Notice of refusal to be given

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	or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	to transferor and transferee.
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debentureholder or other security holders..
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.	Recognition of legal representative.

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	<p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
72.	<p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p>	<p>Titles of Shares of deceased Member</p>
73.	<p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p>	<p>Notice of application when to be given</p>
74.	<p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of</p>	<p>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</p>

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	<p>this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.</p>	
75.	<p>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.</p>	Refusal to register nominee.
76.	<p>Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.</p>	Board may require evidence of transmission.
77.	<p>The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.</p>	Company not liable for disregard of a notice prohibiting registration of transfer.
78.	<p>In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.</p>	Form of transfer Outside India.

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79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
80.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	Nomination
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p>	Transmission of Securities by nominee

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	Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	
	DEMATERIALISATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which	Power to issue share warrants

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	is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	
86.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	Deposit of share warrants
87.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	Privileges and disabilities of the holders of share warrant
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
89.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	Conversion of shares into stock or reconversion.
90.	The holders of stock may transfer the same or any part	Transfer of stock.

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	thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to	Issue of discount etc. or with special privileges.

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	allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.

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100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
104.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the</p>	Chairman with consent may adjourn meeting.

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	<p>case of an original meeting.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
	VOTES OF MEMBERS	
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled.
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he	Casting of votes by a member entitled to more

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	votes, use all his votes or cast in the same way all the votes he uses.	than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	Votes of joint members.
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of	Representation of a body corporate.

Sr. No	Particulars	
	the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.

Sr. No	Particulars	
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
DIRECTORS		
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
127.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be</p>	Nominee Directors.

Sr. No	Particulars	
	<p>entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
128.	<p>The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.</p>	Appointment of alternate Director.
129.	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.</p>	Additional Director
130.	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.</p>	Directors power to fill casual vacancies.
131.	<p>Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.</p>	Sitting Fees.
132.	<p>The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by</p>	Travelling expenses Incurred by Director on Company's business.

Sr. No	Particulars	
	him, in addition to his fee for attending such meeting as above specified.	
	PROCEEDING OF THE BOARD OF DIRECTORS	
133.	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	Meetings of Directors.
134.	<p>a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.</p>	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	Continuing directors may act notwithstanding any vacancy in the Board
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be	Committee Meetings how to

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	governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	be governed.
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no	Powers of the Board

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	regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.

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	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the	To issue receipts & give discharge.

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	claims and demands of the Company.	
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and	Transfer to Reserve Funds.

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	<p>for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p>	
	<p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p>	<p>To appoint and remove officers and other employees.</p>
	<p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under</p>	<p>To appoint Attorneys.</p>

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	<p>these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.</p>	
	<p>(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p>	<p>To enter into contracts.</p>
	<p>(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.</p>	<p>To make rules.</p>
	<p>(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.</p>	<p>To effect contracts etc.</p>
	<p>(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.</p>	<p>To apply & obtain concessions licenses etc.</p>
	<p>(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the</p>	<p>To pay commissions or interest.</p>

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	Act and of the provisions contained in these presents.	
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and	

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	<p>undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the	Powers to appoint Managing/ Wholetime Directors.

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	<p>Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	
146.	<p>The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.</p>	<p>Remuneration of Managing or Wholetime Director.</p>
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where</p>	<p>Powers and duties of Managing Director or Whole-time Director.</p>

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	<p>necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	<p>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</p>	
<p>148.</p>	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	<p>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</p>
	<p>THE SEAL</p>	
<p>149.</p>	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an</p>	<p>The seal, its custody and use.</p>

Sr. No	Particulars	
	Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed.
	Dividend and Reserves	
151.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	Division of profits.
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
153.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested	Transfer to reserves

Sr. No	Particulars	
	<p>in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles .
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.

Sr. No	Particulars	
162.	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	Dividends how remitted.
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
CAPITALIZATION		
165.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the</p>	Capitalization.

Sr. No	Particulars	
	<p>Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	
<p>166.</p>	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	<p>Fractional Certificates.</p>
<p>167.</p>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p>	<p>Inspection of Minutes Books of General Meetings.</p>

Sr. No	Particulars	
	(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	
168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	Inspection of Accounts
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
	WINDING UP	
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be</p>	

Sr. No	Particulars	
	<p>carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
	INDEMNITY	
173.	<p>Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>	Directors' and others right to indemnity.
174.	<p>Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.</p>	Not responsible for acts of others
	SECRECY	

Sr. No	Particulars	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot No. 16, Phase- 1/2, GIDC Estate, Naroda Ahemdabad Gujarat-382330 India from date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated February 14, 2018 between our Company and the Lead Manager.
2. Agreement dated February 14, 2018 between our Company and Link Intime Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated February 14, 2018 between our Company and Underwriter viz. Lead Manager.
4. Market Making Agreement dated February 14, 2018 between our Company, Market Maker and the Lead Manager.
5. Banker to the Issue Agreement dated February 14, 2018 amongst our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated February 06, 2018.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated January 18, 2018.

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated January 04, 2018 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated January 08, 2018 authorizing the Issue.
4. Statement of Tax Benefits dated February 21, 2018 issued by Peer Review Auditor, Piyush J Shah & Co
5. Report of the Peer Review Auditor, Piyush J Shah Chartered Accountants dated May 5, 2018 on the Restated Financial Statements for the period December 31, 2017 and for the year ended as on 31 March 2017, 2016, 2015 and 2014 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors of our Company, Peer Reviewed Auditor, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Bankers to the Issue/ Public Issue Bank and Refund Bank, Banker to the Company and Market Maker to act in their respective capacities.
7. Copy of approval from National Stock Exchange of India Limited *vide* letter dated April 18, 2018, to use the name of NSE in this offer document for listing of Equity Shares on SME Platform of National Stock Exchange of India Limited.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors, Chief Financial Officer and Company Secretary and Compliance Officer of our Company's.

Name and designation	Signature
Kapoor Chand Garg <i>Chairman & Managing Director</i> DIN: 00434621	Sd/-
Pawan Garg <i>Whole time Director</i> DIN: 00434836	Sd/-
Saroj Garg <i>Non-Executive Director</i> DIN: 03564480	Sd/-
Sachin Gupta <i>Independent Director</i> DIN: 03637291	Sd/-
Sandeep Kumar Mangal <i>Independent Director</i> DIN: 07335831	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance Officer of the Company

Sd/-

Viralbhai Hasmukhbhai Patel
Chief Financial Officer

Sd/-

Jayesh Laxmanbhai Bhavsar
Company Secretary & Compliance Officer

Place: Ahmedabad

Date: May 11, 2018

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Mohini Health & Hygiene Limited	20.71	42.00	February 16, 2018	50.40	61.90%(-3.43%)	Not Applicable	Not Applicable
2.	South West Pinnacle Exploration Limited	35.85	78.00	February 19, 2018	93.60	3.72% (-2.45%)	Not Applicable	Not Applicable
3.	Macpower CNC Machines Limited	36.61	140.00	March 22, 2018	149.00	84.54% (4.44%)	Not Applicable	Not Applicable
4.	Benara Bearings and Pistons Limited	33.49	63.00	April 3, 2018	64.00	3.97% (5.41%)	Not Applicable	Not Applicable
5.	Soni Soya Products Limited	4.50	25.00	April 12, 2018	26.00	Not Applicable	Not Applicable	Not Applicable
6.	Vera Synthetic Limited	5.34	40.00	April 12, 2018	45.00	Not Applicable	Not Applicable	Not Applicable
7.	S.S. Infrastructure Development Consultants Limited	17.11	40.00	April 12, 2018	42.95	Not Applicable	Not Applicable	Not Applicable
8.	Mahickra Chemicals Limited	5.25	25.00	April 26, 2018	35.00	Not Applicable	Not Applicable	Not Applicable
9.	SoftTech Engineers Limited	22.81	80.00	May 11, 2018	88.00	Not Applicable	Not Applicable	Not Applicable
10.	Akshar Spintex Limited	26.99	40.00	May 11, 2018	40.00	Not Applicable	Not Applicable	Not Applicable

Note:

Invoators Façade Systems Limited have registered the Red Herring Prospectus with Registrar of Companies for Initial Public Offering.

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
15-16	*9	54.01	-	-	1	3	2	3	-	1	1	4	3	-
16-17	**24\$	204.56	-	-	5	5	3	8	-	1	5	10	1	6
17-18	***30\$\$	610.90	-	-	4	10	7	9	-	1	2	11	2	4
18-19	****7\$\$\$	115.49	-	-	1	-	-	-	-	-	-	-	-	-

*The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

**The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infracore Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcruz Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016 December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

***The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and

M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

****The scripts of Benara Bearings and Pistons Limited, Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, SoftTech Engineers Limited and Akshar Spintex Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018 and May 11, 2018 respectively.

\$. As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infracore Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium.

\$\$ The scripts of One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited, Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days and 180 Days respectively from the date of listing.

\$\$\$ The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, SoftTech Engineers Limited and Akshar Spintex Limited have not completed 180 Days, 30 Days, 30 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.

Note: Majestic Research Services and Solutions Limited and Ambition Mica Limited are Further Public Offerings lead managed by Pantomath Capital Advisors Private Limited in the Financial Years 2016-17 and 2017-18 respectively and the same have not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.